

SENATE BILL No. 367

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-3-1; IC 5-28-15-14; IC 6-1.1; IC 8-22-3; IC 36-4-7-6; IC 36-5-3-3; IC 36-7.

Synopsis: Property tax matters. Changes the schedule of maximum property tax rates that may be imposed by an airport authority. Specifies that the maximum tax rate decreases as the assessed value within an airport authority reaches certain thresholds, but not to the extent required by current law. Specifies a maximum tax rate calculation that provides that the tax rate is not decreased to a level where the airport authority would initially lose tax revenue as the assessed value increases. Provides that, for purposes of the statute specifying that costs paid from donations and gifts are excluded when determining if a local capital project is subject to a referendum, state and local public funds are not considered donations or gifts. Provides for purposes of the property tax circuit breaker credit that a commercial hotel, motel, inn, tourist camp, or tourist cabin is not residential property. Specifies for purposes of the property tax circuit breaker credit that a single family residence under construction is residential property. Provides that public utility property tax returns shall be filed in the manner prescribed by the department of local government finance (DLGF). Allows a railroad car company to file its return by June 1 (rather than May 1). Authorizes a public utility company to file an amended return. Provides that the penalty assessed on a public utility company for filing a late return may not exceed \$1,000. Provides that if the DLGF assesses the property of a public utility company because the public utility company does not file a return, the public utility company may file a return with the DLGF and the DLGF may amend its assessment. Provides that if, after an assessment date, an exempt property is transferred or its use is changed resulting in its

(Continued next page)

Effective: Upon passage; January 1, 2014 (retroactive); July 1, 2014.

Hershman

January 14, 2014, read first time and referred to Committee on Appropriations.



ineligibility for an exemption, the county assessor shall terminate the exemption for that assessment date. Specifies that if the property remains eligible for an exemption following the transfer or change in use, the exemption shall be left in place for that assessment date. Provides that for the following assessment date, the person that obtained the exemption or the current owner of the property shall file an application with the county assessor. Requires applications for certain property tax deductions to be completed and dated in the calendar year for which the taxpayer wishes to obtain the deduction and to be filed with the county auditor on or before January 5 of the immediately succeeding calendar year. Requires a political subdivision to submit to the DLGF information concerning the adoption of budgets and tax levies using the DLGF's computer gateway (rather than publish the information in a newspaper). Requires the DLGF to make this information available to taxpayers through its computer gateway and provide a telephone number through which taxpayers may request copies of a political subdivision's information. Specifies that for taxes due and payable in 2015 and 2016, each county shall publish a notice stating the Internet address at which the budget information is available and the telephone number through which taxpayers may request copies of a political subdivision's budget information. Allows counties to seek reimbursement from the political subdivisions in the county for the cost of the notice. Provides that if a political subdivision timely submits the budget information to the DLGF's computer gateway but subsequently discovers the information contains a typographical error, the political subdivision may request permission from the DLGF to submit amended information. Specifies the conditions under which the DLGF shall increase a political subdivision's tax levy to an amount that exceeds the amount originally advertised or adopted by the political subdivision. Provides that if the DLGF increases a tax levy under this provision, the DLGF shall reduce the levy for each fund affected below the maximum allowable levy by the lesser of: (1) 5% of the difference between the advertised or adopted levy and the increased levy; or (2) \$100,000. Specifies certain information that must be included in a redevelopment commission's annual report. Requires redevelopment commissions to hold an annual hearing at which the commission determines the amount of excess assessed value, determines the tax increment replacement amount, and presents an estimate of tax increment revenues and financial obligations for the ensuing year. Provides that after the hearing, the fiscal body of the unit shall adopt an ordinance stating the amount of incremental assessed valuation to be released and the maximum amount of incremental tax revenue to be captured.



Second Regular Session 118th General Assembly (2014)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2013 Regular Session and 2013 First Regular Technical Session of the General Assembly.

SENATE BILL No. 367

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-3-1-2, AS AMENDED BY P.L.141-2009,
2 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2014]: Sec. 2. (a) This section applies only when notice of an
4 event is required to be given by publication in accordance with this
5 chapter.
6 (b) If the event is a public hearing or meeting concerning any matter
7 not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h)
8 notice shall be published one (1) time, at least ten (10) days before the
9 date of the hearing or meeting.
10 (c) If the event is an election, notice shall be published one (1) time,
11 at least ten (10) days before the date of the election.
12 (d) If the event is a sale of bonds, notes, or warrants, notice shall be
13 published two (2) times, at least one (1) week apart, with:
14 (1) the first publication made at least fifteen (15) days before the



date of the sale; and

(2) the second publication made at least three (3) days before the date of the sale.

(e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

(f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.

(g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.

(h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.

(i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.

(j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.

(k) If any officer charged with the duty of publishing any notice required by law is unable to procure advertisement:

(1) at the price fixed by law;

(2) because the newspaper refuses to publish the advertisement;
or

(3) because the newspaper refuses to post the advertisement on the newspaper's Internet web site (if required under section 1.5 of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers and on an Internet web site (if required under section 1.5 of this chapter).

~~(4) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.~~



(m) Notwithstanding subsection (j); if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper; the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.

SECTION 2. IC 5-3-1-2.3, AS AMENDED BY P.L.169-2006, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 2.3. (a) A notice published in accordance with this chapter or any other Indiana statute is valid even though the notice contains errors or omissions, as long as:

- (1) a reasonable person would not be misled by the error or omission; and
- (2) the notice is in substantial compliance with the time and publication requirements applicable under this chapter or any other Indiana statute under which the notice is published.

(b) This subsection applies if:

- (1) a county auditor publishes a notice concerning a tax rate, tax levy, or budget of a political subdivision in the county;
- (2) the notice contains an error or omission that causes the notice to inaccurately reflect the tax rate, tax levy, or budget actually proposed or fixed by the political subdivision; and
- (3) the county auditor is responsible for the error or omission described in subdivision (2).

Notwithstanding any other law, the department of local government finance may correct an error or omission described in subdivision (2) at any time. If an error or omission described in subdivision (2) occurs, the county auditor must publish, at the county's expense, a notice containing the correct tax rate, tax levy, or budget as proposed or fixed by the political subdivision.

SECTION 3. IC 5-28-15-14, AS ADDED BY P.L.4-2005, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 14. (a) A U.E.A. shall do the following:

- (1) Coordinate zone development activities.
- (2) Serve as a catalyst for zone development.
- (3) Promote the zone to outside groups and individuals.
- (4) Establish a formal line of communication with residents and businesses in the zone.
- (5) Act as a liaison between residents, businesses, the municipality, and the board for any development activity that may affect the zone or zone residents.

(b) A U.E.A. may do the following:



(1) Initiate and coordinate any community development activities that aid in the employment of zone residents, improve the physical environment, or encourage the turnover or retention of capital in the zone. These additional activities include but are not limited to recommending to the municipality the manner and purpose of expenditure of funds generated under ~~IC 36-7-14-39(g)~~ **IC 36-7-14-39(i)** or ~~IC 36-7-15.1-26(g)~~ **IC 36-7-15.1-26(i).**

(2) Recommend that the board modify a zone boundary or disqualify a zone business from eligibility for one (1) or more benefits or incentives available to zone businesses.

(3) Incorporate as a nonprofit corporation. Such a corporation may continue after the expiration of the zone in accordance with the general principles established by this chapter. A U.E.A. that incorporates as a nonprofit corporation under this subdivision may purchase or receive real property from a redevelopment commission under IC 36-7-14-22.2 or IC 36-7-15.1-15.2.

(c) The U.E.A. may request, by majority vote, that the legislative body of the municipality in which the zone is located modify or waive any municipal ordinance or regulation that is in effect in the zone. The legislative body may, by ordinance, waive or modify the operation of the ordinance or regulation, if the ordinance or regulation does not affect health (including environmental health), safety, civil rights, or employment rights.

(d) The U.E.A. may request, by majority vote, that the board waive or modify any state rule that is in effect in the zone. The board shall review the request and may approve, modify, or reject the request. Approval or modification by the board shall take place after review by the appropriate state agency. A modification may include but is not limited to establishing different compliance or reporting requirements, timetables, or exemptions in the zone for a business or an individual, to the extent that the modification does not adversely affect health (including environment health), safety, employment rights, or civil rights. An approval or a modification of a state rule by the board takes effect upon the approval of the governor. In no case are the provisions of IC 22-2-2 and IC 22-7-1-2 mitigated by this chapter.

SECTION 4. IC 6-1.1-8-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 19. **(a)** Each year a public utility company shall file a statement concerning the value and description of the property which is either owned or used by the company on the assessment date of that year. The company shall file this statement with the department of local government finance ~~on the~~



1 ~~form in the manner~~ prescribed by the department. The department of
 2 local government finance may extend the due date for a statement.
 3 Unless the department of local government finance grants an extension,
 4 a public utility company shall file its statement for a year:

5 (1) on or before March 1st of that year unless the company is a
 6 railroad car company; or

7 (2) on or before ~~May~~ **June** 1st of that year if the company is a
 8 railroad car company.

9 **If the department grants an extension to a railroad car company,**
 10 **the extension may not exceed thirty (30) days.**

11 **(b) A public utility company may, not later than sixty (60) days**
 12 **after filing a valid and timely statement under subsection (a), file**
 13 **an amended statement:**

14 **(1) for distribution purposes;**

15 **(2) to correct errors; or**

16 **(3) for any other reason, except:**

17 **(A) obsolescence; or**

18 **(B) the credit to the electric rail service fund established by**
 19 **IC 8-3-1.5-20.6.**

20 SECTION 5. IC 6-1.1-8-20 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 20. (a) If a public utility
 22 company does not file a statement with the department of local
 23 government finance on or before the date prescribed under section 19
 24 of this chapter, the company shall pay a penalty of one hundred dollars
 25 (\$100) per day for each day that the statement is late. **However, a**
 26 **penalty under this subsection may not exceed one thousand dollars**
 27 **(\$1,000).**

28 (b) The department of local government finance shall notify the
 29 attorney general if a public utility company fails to file a statement on
 30 or before the due date. The attorney general shall then bring an action
 31 in the name of this state to collect the penalty due under this section.

32 (c) The state auditor shall deposit amounts collected under this
 33 section in the state treasury for credit to the state general fund.

34 SECTION 6. IC 6-1.1-8-22 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 22. **(a)** The department
 36 of local government finance shall assess the property of a public utility
 37 company based upon the information available to the department if the
 38 company:

39 (1) does not file a statement which is required under section 19 of
 40 this chapter;

41 (2) does not permit the department to examine the company's
 42 property, books, or records; or



(3) does not comply with a summons issued by the department.
 An assessment which is made by the department of local government finance under this section is final unless the company establishes that the department committed actual fraud in making the assessment.

(b) A public utility company may provide the department with a statement under section 19 of this chapter not later than one (1) year after the department makes the department's assessment under this section. If a public utility company does so, the department may amend the assessment it makes under this section in reliance on the public utility company's statement filed under this subsection.

SECTION 7. IC 6-1.1-11-4, AS AMENDED BY P.L.173-2011, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 4. (a) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the United States, the state, an agency of this state, or a political subdivision (as defined in IC 36-1-2-13). However, this subsection applies only when the property is used, and in the case of real property occupied, by the owner.

(b) The exemption application referred to in section 3 of this chapter is not required if the exempt property is a cemetery:

(1) described by IC 6-1.1-2-7; or

(2) maintained by a township executive under IC 23-14-68.

(c) The exemption application referred to in section 3 of this chapter is not required if the exempt property is owned by the bureau of motor vehicles commission established under IC 9-15-1.

(d) The exemption application referred to in section 3 or 3.5 of this chapter is not required if:

(1) the exempt property is:

(A) tangible property used for religious purposes described in IC 6-1.1-10-21;

(B) tangible property owned by a church or religious society used for educational purposes described in IC 6-1.1-10-16;

(C) other tangible property owned, occupied, and used by a person for educational, literary, scientific, religious, or charitable purposes described in IC 6-1.1-10-16; or

(D) other tangible property owned by a fraternity or sorority (as defined in IC 6-1.1-10-24).

(2) the exemption application referred to in section 3 or 3.5 of this chapter was filed properly at least once for a religious use under IC 6-1.1-10-21, an educational, literary, scientific, religious, or charitable use under IC 6-1.1-10-16, or use by a fraternity or



sorority under IC 6-1.1-10-24; and

(3) the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24.

A change in ownership of property does not terminate an exemption of the property if after the change in ownership the property continues to meet the requirements for an exemption under IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24. However, if title to any of the real property subject to the exemption changes or any of the tangible property subject to the exemption is used for a nonexempt purpose after the date of the last properly filed exemption application, the person that obtained the exemption or the current owner of the property shall notify the county assessor for the county where the tangible property is located of the change in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance. If the county assessor discovers that title to property granted an exemption described in IC 6-1.1-10-16, IC 6-1.1-10-21, or IC 6-1.1-10-24 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners of the property and indicates that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24. Upon receipt of the affidavit, the county assessor shall reinstate the exemption for the years for which the exemption was suspended and each year thereafter that the property continues to meet the requirements for an exemption under IC 6-1.1-10-21, IC 6-1.1-10-16, or IC 6-1.1-10-24.

(e) If, after an assessment date, an exempt property is transferred or its use is changed resulting in its ineligibility for an exemption under IC 6-1.1-10, the county assessor shall terminate the exemption for that assessment date. However, if the property remains eligible for an exemption under IC 6-1.1-10 following the transfer or change in use, the exemption shall be left in place for that assessment date. For the following assessment date, the person that obtained the exemption or the current owner of the property, as applicable, shall, under section 3 of this chapter and except as provided under section 4 of this chapter, file a certified application in duplicate with the county assessor of the county in which the property that is the subject of the exemption is located. In all cases, the person that obtained the exemption or the current owner of the



property shall notify the county assessor for the county where the tangible property is located of the change in ownership or use in the year that the change occurs. The notice must be in the form prescribed by the department of local government finance.

(f) If the county assessor discovers that title to or use of property granted an exemption under IC 6-1.1-10 has changed, the county assessor shall notify the persons entitled to a tax statement under IC 6-1.1-22-8.1 for the property of the change in title or use and indicate that the county auditor will suspend the exemption for the property until the persons provide the county assessor with an affidavit, signed under penalties of perjury, that identifies the new owners or use of the property and indicates whether the property continues to meet the requirements for an exemption under IC 6-1.1-10. Upon receipt of the affidavit, the county assessor shall reinstate the exemption under IC 6-1.1-15-12. However, a claim under IC 6-1.1-26-1 for a refund of all or a part of a tax installment paid and any correction of error under IC 6-1.1-15-12 must be filed not later than three (3) years after the taxes are first due.

SECTION 8. IC 6-1.1-12-10.1, AS AMENDED BY P.L.144-2008, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 10.1. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 9 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is located. With respect to real property, the statement must be filed during the year for which the individual wishes to obtain the deduction: **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement referred to in subsection (a) shall be in affidavit form or require verification under penalties of perjury. The statement must be filed in duplicate if the applicant owns, or is buying under a contract, real property, a mobile home, or a manufactured home subject to assessment in more than one (1) county or in more than one (1)



1 taxing district in the same county. The statement shall contain:

- 2 (1) the source and exact amount of gross income received by the
- 3 individual and the individual's spouse during the preceding
- 4 calendar year;
- 5 (2) the description and assessed value of the real property, mobile
- 6 home, or manufactured home;
- 7 (3) the individual's full name and complete residence address;
- 8 (4) the record number and page where the contract or
- 9 memorandum of the contract is recorded if the individual is
- 10 buying the real property, mobile home, or manufactured home on
- 11 contract; and
- 12 (5) any additional information which the department of local
- 13 government finance may require.

14 (c) In order to substantiate the deduction statement, the applicant
 15 shall submit for inspection by the county auditor a copy of the
 16 applicant's and a copy of the applicant's spouse's income tax returns for
 17 the preceding calendar year. If either was not required to file an income
 18 tax return, the applicant shall subscribe to that fact in the deduction
 19 statement.

20 SECTION 9. IC 6-1.1-12-12, AS AMENDED BY P.L.1-2009,
 21 SECTION 29, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 22 JULY 1, 2014]: Sec. 12. (a) Except as provided in section 17.8 of this
 23 chapter and subject to section 45 of this chapter, a person who desires
 24 to claim the deduction provided in section 11 of this chapter must file
 25 an application, on forms prescribed by the department of local
 26 government finance, with the auditor of the county in which the real
 27 property, mobile home not assessed as real property, or manufactured
 28 home not assessed as real property is located. With respect to real
 29 property, the application must be ~~filed during the year for which the~~
 30 ~~individual wishes to obtain the deduction:~~ **completed and dated in the**
 31 **calendar year for which the person wishes to obtain the deduction**
 32 **and filed with the county auditor on or before January 5 of the**
 33 **immediately succeeding calendar year.** With respect to a mobile
 34 home that is not assessed as real property or a manufactured home that
 35 is not assessed as real property, the application must be filed during the
 36 twelve (12) months before March 31 of each year for which the
 37 individual wishes to obtain the deduction. The application may be filed
 38 in person or by mail. If mailed, the mailing must be postmarked on or
 39 before the last day for filing.

40 (b) Proof of blindness may be supported by:

- 41 (1) the records of the division of family resources or the division
- 42 of disability and rehabilitative services; or



(2) the written statement of a physician who is licensed by this state and skilled in the diseases of the eye or of a licensed optometrist.

(c) The application required by this section must contain the record number and page where the contract or memorandum of the contract is recorded if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home.

SECTION 10. IC 6-1.1-12-15, AS AMENDED BY P.L.293-2013(ts), SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 15. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by section 13 or 14 of this chapter must file a statement with the auditor of the county in which the individual resides. With respect to real property, the statement must be ~~filed during the year for which the individual wishes to obtain the deduction.~~ **completed and dated in the calendar year for which the individual wishes to obtain the deduction and filed with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. The statement shall contain a sworn declaration that the individual is entitled to the deduction.

(b) In addition to the statement, the individual shall submit to the county auditor for the auditor's inspection:

(1) a pension certificate, an award of compensation, or a disability compensation check issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 13 of this chapter;

(2) a pension certificate or an award of compensation issued by the United States Department of Veterans Affairs if the individual claims the deduction provided by section 14 of this chapter; or

(3) the appropriate certificate of eligibility issued to the individual by the Indiana department of veterans' affairs if the individual claims the deduction provided by section 13 or 14 of this chapter.

(c) If the individual claiming the deduction is under guardianship, the guardian shall file the statement required by this section. If a



1 deceased veteran's surviving spouse is claiming the deduction, the
 2 surviving spouse shall provide the documentation necessary to
 3 establish that at the time of death the deceased veteran satisfied the
 4 requirements of section 13(a)(1) through 13(a)(4) of this chapter or
 5 section 14(a)(1) through 14(a)(4) of this chapter, whichever applies.

6 (d) If the individual claiming a deduction under section 13 or 14 of
 7 this chapter is buying real property, a mobile home not assessed as real
 8 property, or a manufactured home not assessed as real property under
 9 a contract that provides that the individual is to pay property taxes for
 10 the real estate, mobile home, or manufactured home, the statement
 11 required by this section must contain the record number and page
 12 where the contract or memorandum of the contract is recorded.

13 SECTION 11. IC 6-1.1-12-17, AS AMENDED BY P.L.144-2008,
 14 SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 15 JULY 1, 2014]: Sec. 17. Except as provided in section 17.8 of this
 16 chapter and subject to section 45 of this chapter, a surviving spouse
 17 who desires to claim the deduction provided by section 16 of this
 18 chapter must file a statement with the auditor of the county in which
 19 the surviving spouse resides. With respect to real property, the
 20 statement must be ~~filed during the year for which the surviving spouse~~
 21 ~~wishes to obtain the deduction.~~ **completed and dated in the calendar**
 22 **year for which the person wishes to obtain the deduction and filed**
 23 **with the county auditor on or before January 5 of the immediately**
 24 **succeeding calendar year.** With respect to a mobile home that is not
 25 assessed as real property or a manufactured home that is not assessed
 26 as real property, the statement must be filed during the twelve (12)
 27 months before March 31 of each year for which the individual wishes
 28 to obtain the deduction. The statement may be filed in person or by
 29 mail. If mailed, the mailing must be postmarked on or before the last
 30 day for filing. The statement shall contain:

31 (1) a sworn statement that the surviving spouse is entitled to the
 32 deduction; and

33 (2) the record number and page where the contract or
 34 memorandum of the contract is recorded, if the individual is
 35 buying the real property on a contract that provides that the
 36 individual is to pay property taxes on the real property.

37 In addition to the statement, the surviving spouse shall submit to the
 38 county auditor for the auditor's inspection a letter or certificate from the
 39 United States Department of Veterans Affairs establishing the service
 40 of the deceased spouse in the military or naval forces of the United
 41 States before November 12, 1918.

42 SECTION 12. IC 6-1.1-12-17.5, AS AMENDED BY P.L.144-2008,



SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 17.5. (a) Except as provided in section 17.8 of this chapter and subject to section 45 of this chapter, a veteran who desires to claim the deduction provided in section 17.4 of this chapter must file a sworn statement, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, or manufactured home is assessed. With respect to real property, the veteran must ~~file the statement during the year for which the veteran wishes to obtain the deduction.~~ **complete and date the statement in the calendar year for which the veteran wishes to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home that is not assessed as real property or a manufactured home that is not assessed as real property, the statement must be filed during the twelve (12) months before March 31 of each year for which the individual wishes to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing.

(b) The statement required under this section shall be in affidavit form or require verification under penalties of perjury. The statement shall be filed in duplicate if the veteran has, or is buying under a contract, real property in more than one (1) county or in more than one (1) taxing district in the same county. The statement shall contain:

- (1) a description and the assessed value of the real property, mobile home, or manufactured home;
- (2) the veteran's full name and complete residence address;
- (3) the record number and page where the contract or memorandum of the contract is recorded, if the individual is buying the real property, mobile home, or manufactured home on a contract that provides that the individual is to pay property taxes on the real property, mobile home, or manufactured home; and
- (4) any additional information which the department of local government finance may require.

SECTION 13. IC 6-1.1-12-27.1, AS AMENDED BY P.L.137-2012, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 27.1. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 26 or 26.1 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property, mobile home, manufactured home,



or solar power device is subject to assessment. With respect to real property or a solar power device that is assessed as distributable property under IC 6-1.1-8 or as personal property, the person must ~~file the statement during the year for which the person desires to obtain the deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, with respect to a mobile home which is not assessed as real property, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home or own the solar power device;
- (2) be buying the real property, mobile home, manufactured home, or solar power device under contract; or
- (3) be leasing the real property from the real property owner and be subject to assessment and property taxation with respect to the solar power device;

on the date the statement is filed under this section. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the real property, mobile home, manufactured home, or solar power device is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 14. IC 6-1.1-12-30, AS AMENDED BY P.L.1-2009, SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 30. Except as provided in sections 36 and 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 29 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the real property or mobile home is subject to assessment. With respect to real property, the person must ~~file the statement during the year for which the person desires to obtain the deduction.~~ **complete and date the statement in the calendar year for which the person desires to obtain the deduction and file the statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a mobile home which is not assessed as real property, the person must file the statement during the



twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The person must:

- (1) own the real property, mobile home, or manufactured home;
- or
- (2) be buying the real property, mobile home, or manufactured home under contract;

on the date the statement is filed under this section. On verification of the statement by the assessor of the township in which the real property or mobile home is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

SECTION 15. IC 6-1.1-12-35.5, AS AMENDED BY P.L.1-2009, SECTION 37, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 35.5. (a) Except as provided in section 36 or 44 of this chapter and subject to section 45 of this chapter, a person who desires to claim the deduction provided by section 31, 33, 34, or 34.5 of this chapter must file a certified statement in duplicate, on forms prescribed by the department of local government finance and proof of certification under subsection (b) or (f) with the auditor of the county in which the property for which the deduction is claimed is subject to assessment. Except as provided in subsection (e), with respect to property that is not assessed under IC 6-1.1-7, the person must ~~file the statement during the year for which the person wishes to obtain the deduction. The person must file the statement in each year for which the person desires to obtain the deduction.~~ **complete and date the certified statement in the calendar year for which the person wishes to obtain the deduction and file the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year.** With respect to a property which is assessed under IC 6-1.1-7, the person must file the statement during the twelve (12) months before March 31 of each year for which the person desires to obtain the deduction. The statement may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. On verification of the statement by the assessor of the township in which the property for which the deduction is claimed is subject to assessment, or the county assessor if there is no township assessor for the township, the county auditor shall allow the deduction.

(b) This subsection does not apply to an application for a deduction under section 34.5 of this chapter. The department of environmental management, upon application by a property owner, shall determine whether a system or device qualifies for a deduction provided by section 31, 33, or 34 of this chapter. If the department determines that



1 a system or device qualifies for a deduction, it shall certify the system
2 or device and provide proof of the certification to the property owner.
3 The department shall prescribe the form and manner of the certification
4 process required by this subsection.

5 (c) This subsection does not apply to an application for a deduction
6 under section 34.5 of this chapter. If the department of environmental
7 management receives an application for certification, the department
8 shall determine whether the system or device qualifies for a deduction.
9 If the department fails to make a determination under this subsection
10 before December 31 of the year in which the application is received,
11 the system or device is considered certified.

12 (d) A denial of a deduction claimed under section 31, 33, 34, or 34.5
13 of this chapter may be appealed as provided in IC 6-1.1-15. The appeal
14 is limited to a review of a determination made by the township assessor
15 county property tax assessment board of appeals, or department of local
16 government finance.

17 (e) A person who timely files a personal property return under
18 IC 6-1.1-3-7(a) for an assessment year and who desires to claim the
19 deduction provided in section 31 of this chapter for property that is not
20 assessed under IC 6-1.1-7 must file the statement described in
21 subsection (a) during the year in which the personal property return is
22 filed.

23 (f) This subsection applies only to an application for a deduction
24 under section 34.5 of this chapter. The center for coal technology
25 research established by IC 21-47-4-1, upon receiving an application
26 from the owner of a building, shall determine whether the building
27 qualifies for a deduction under section 34.5 of this chapter. If the center
28 determines that a building qualifies for a deduction, the center shall
29 certify the building and provide proof of the certification to the owner
30 of the building. The center shall prescribe the form and procedure for
31 certification of buildings under this subsection. If the center receives
32 an application for certification of a building under section 34.5 of this
33 chapter:

34 (1) the center shall determine whether the building qualifies for
35 a deduction; and

36 (2) if the center fails to make a determination before December 31
37 of the year in which the application is received, the building is
38 considered certified.

39 SECTION 16. IC 6-1.1-12-37, AS AMENDED BY P.L.288-2013,
40 SECTION 3, AND AS AMENDED BY P.L.203-2013, SECTION 4, IS
41 CORRECTED AND AMENDED TO READ AS FOLLOWS
42 [EFFECTIVE JULY 1, 2014]: Sec. 37. (a) The following definitions



1 apply throughout this section:

2 (1) "Dwelling" means any of the following:

3 (A) Residential real property improvements that an individual
4 uses as the individual's residence, including a house or garage.

5 (B) A mobile home that is not assessed as real property that an
6 individual uses as the individual's residence.

7 (C) A manufactured home that is not assessed as real property
8 that an individual uses as the individual's residence.

9 (2) "Homestead" means an individual's principal place of
10 residence:

11 (A) that is located in Indiana;

12 (B) that:

13 (i) the individual owns;

14 (ii) the individual is buying under a contract; recorded in the
15 county recorder's office, that provides that the individual is
16 to pay the property taxes on the residence;

17 (iii) the individual is entitled to occupy as a
18 tenant-stockholder (as defined in 26 U.S.C. 216) of a
19 cooperative housing corporation (as defined in 26 U.S.C.
20 216); or

21 (iv) is a residence described in section 17.9 of this chapter
22 that is owned by a trust if the individual is an individual
23 described in section 17.9 of this chapter; and

24 (C) that consists of a dwelling and the real estate, not
25 exceeding one (1) acre, that immediately surrounds that
26 dwelling.

27 Except as provided in subsection (k), the term does not include
28 property owned by a corporation, partnership, limited liability
29 company, or other entity not described in this subdivision.

30 (b) Each year a homestead is eligible for a standard deduction from
31 the assessed value of the homestead for an assessment date. *Except as*
32 *provided in subsection (p)*, the deduction provided by this section
33 applies to property taxes first due and payable for an assessment date
34 only if an individual has an interest in the homestead described in
35 subsection (a)(2)(B) on:

36 (1) the assessment date; or

37 (2) any date in the same year after an assessment date that a
38 statement is filed under subsection (e) or section 44 of this
39 chapter, if the property consists of real property.

40 Subject to subsection (c), the auditor of the county shall record and
41 make the deduction for the individual or entity qualifying for the
42 deduction.



(c) Except as provided in section 40.5 of this chapter, the total amount of the deduction that a person may receive under this section for a particular year is the lesser of:

- (1) sixty percent (60%) of the assessed value of the real property, mobile home not assessed as real property, or manufactured home not assessed as real property; or
- (2) forty-five thousand dollars (\$45,000).

(d) A person who has sold real property, a mobile home not assessed as real property, or a manufactured home not assessed as real property to another person under a contract that provides that the contract buyer is to pay the property taxes on the real property, mobile home, or manufactured home may not claim the deduction provided under this section with respect to that real property, mobile home, or manufactured home.

(e) Except as provided in sections 17.8 and 44 of this chapter and subject to section 45 of this chapter, an individual who desires to claim the deduction provided by this section must file a certified statement in duplicate, on forms prescribed by the department of local government finance, with the auditor of the county in which the homestead is located. The statement must include:

- (1) the parcel number or key number of the property and the name of the city, town, or township in which the property is located;
- (2) the name of any other location in which the applicant or the applicant's spouse owns, is buying, or has a beneficial interest in residential real property;
- (3) the names of:

(A) the applicant and the applicant's spouse (if any):

- (i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

- (ii) that they use as their legal names when they sign their names on legal documents;

if the applicant is an individual; or

(B) each individual who qualifies property as a homestead under subsection (a)(2)(B) and the individual's spouse (if any):

- (i) as the names appear in the records of the United States Social Security Administration for the purposes of the issuance of a Social Security card and Social Security number; or

- (ii) that they use as their legal names when they sign their names on legal documents;



- 1 if the applicant is not an individual; and
 2 (4) either:
 3 (A) the last five (5) digits of the applicant's Social Security
 4 number and the last five (5) digits of the Social Security
 5 number of the applicant's spouse (if any); or
 6 (B) if the applicant or the applicant's spouse (if any) ~~do~~ **does**
 7 not have a Social Security number, any of the following for
 8 that individual:
 9 (i) The last five (5) digits of the individual's driver's license
 10 number.
 11 (ii) The last five (5) digits of the individual's state
 12 identification card number.
 13 (iii) If the individual does not have a driver's license or a
 14 state identification card, the last five (5) digits of a control
 15 number that is on a document issued to the individual by the
 16 federal government and determined by the department of
 17 local government finance to be acceptable.

18 If a form or statement provided to the county auditor under this section,
 19 IC 6-1.1-22-8.1, or IC 6-1.1-22.5-12 includes the telephone number or
 20 part or all of the Social Security number of a party or other number
 21 described in subdivision (4)(B) of a party, the telephone number and
 22 the Social Security number or other number described in subdivision
 23 (4)(B) included are confidential. The statement may be filed in person
 24 or by mail. If the statement is mailed, the mailing must be postmarked
 25 on or before the last day for filing. The statement applies for that first
 26 year and any succeeding year for which the deduction is allowed. With
 27 respect to real property, the statement must be completed and dated in
 28 the calendar year for which the person desires to obtain the deduction
 29 and filed with the county auditor on or before January 5 of the
 30 immediately succeeding calendar year. With respect to a mobile home
 31 that is not assessed as real property, the person must file the statement
 32 during the twelve (12) months before March 31 of the year for which
 33 the person desires to obtain the deduction.

34 (f) If an individual who is receiving the deduction provided by this
 35 section or who otherwise qualifies property for a deduction under this
 36 section:

- 37 (1) changes the use of the individual's property so that part or all
 38 of the property no longer qualifies for the deduction under this
 39 section; or
 40 (2) is no longer eligible for a deduction under this section on
 41 another parcel of property because:
 42 (A) the individual would otherwise receive the benefit of more



- 1 than one (1) deduction under this chapter; or
- 2 (B) the individual maintains the individual's principal place of
- 3 residence with another individual who receives a deduction
- 4 under this section;
- 5 the individual must file a certified statement with the auditor of the
- 6 county, notifying the auditor of the change of use, not more than sixty
- 7 (60) days after the date of that change. An individual who fails to file
- 8 the statement required by this subsection is liable for any additional
- 9 taxes that would have been due on the property if the individual had
- 10 filed the statement as required by this subsection plus a civil penalty
- 11 equal to ten percent (10%) of the additional taxes due. The civil penalty
- 12 imposed under this subsection is in addition to any interest and
- 13 penalties for a delinquent payment that might otherwise be due. One
- 14 percent (1%) of the total civil penalty collected under this subsection
- 15 shall be transferred by the county to the department of local
- 16 government finance for use by the department in establishing and
- 17 maintaining the homestead property data base under subsection (i) and,
- 18 to the extent there is money remaining, for any other purposes of the
- 19 department. This amount becomes part of the property tax liability for
- 20 purposes of this article.
- 21 (g) The department of local government finance shall adopt rules or
- 22 guidelines concerning the application for a deduction under this
- 23 section.
- 24 (h) This subsection does not apply to property in the first year for
- 25 which a deduction is claimed under this section if the sole reason that
- 26 a deduction is claimed on other property is that the individual or
- 27 married couple maintained a principal residence at the other property
- 28 on March 1 in the same year in which an application for a deduction is
- 29 filed under this section or, if the application is for a homestead that is
- 30 assessed as personal property, on March 1 in the immediately
- 31 preceding year and the individual or married couple is moving the
- 32 individual's or married couple's principal residence to the property that
- 33 is the subject of the application. Except as provided in subsection (n),
- 34 the county auditor may not grant an individual or a married couple a
- 35 deduction under this section if:
- 36 (1) the individual or married couple, for the same year, claims the
- 37 deduction on two (2) or more different applications for the
- 38 deduction; and
- 39 (2) the applications claim the deduction for different property.
- 40 (i) The department of local government finance shall provide secure
- 41 access to county auditors to a homestead property data base that
- 42 includes access to the homestead owner's name and the numbers



required from the homestead owner under subsection (e)(4) for the sole purpose of verifying whether an owner is wrongly claiming a deduction under this chapter or a credit under IC 6-1.1-20.4, IC 6-1.1-20.6, or IC 6-3.5.

(j) A county auditor may require an individual to provide evidence proving that the individual's residence is the individual's principal place of residence as claimed in the certified statement filed under subsection (e). The county auditor may limit the evidence that an individual is required to submit to a state income tax return, a valid driver's license, or a valid voter registration card showing that the residence for which the deduction is claimed is the individual's principal place of residence. The department of local government finance shall work with county auditors to develop procedures to determine whether a property owner that is claiming a standard deduction or homestead credit is not eligible for the standard deduction or homestead credit because the property owner's principal place of residence is outside Indiana.

(k) As used in this section, "homestead" includes property that satisfies each of the following requirements:

- (1) The property is located in Indiana and consists of a dwelling and the real estate, not exceeding one (1) acre, that immediately surrounds that dwelling.
- (2) The property is the principal place of residence of an individual.
- (3) The property is owned by an entity that is not described in subsection (a)(2)(B).
- (4) The individual residing on the property is a shareholder, partner, or member of the entity that owns the property.
- (5) The property was eligible for the standard deduction under this section on March 1, 2009.

(l) If a county auditor terminates a deduction for property described in subsection (k) with respect to property taxes that are:

- (1) imposed for an assessment date in 2009; and
- (2) first due and payable in 2010;

on the grounds that the property is not owned by an entity described in subsection (a)(2)(B), the county auditor shall reinstate the deduction if the taxpayer provides proof that the property is eligible for the deduction in accordance with subsection (k) and that the individual residing on the property is not claiming the deduction for any other property.

(m) For ~~assessments~~ *assessment* dates after 2009, the term "homestead" includes:

- (1) a deck or patio;



1 (2) a gazebo; or
 2 (3) another residential yard structure, as defined in rules adopted
 3 by the department of local government finance (other than a
 4 swimming pool);
 5 that is assessed as real property and attached to the dwelling.

6 (n) A county auditor shall grant an individual a deduction under this
 7 section regardless of whether the individual and the individual's spouse
 8 claim a deduction on two (2) different applications and each
 9 application claims a deduction for different property if the property
 10 owned by the individual's spouse is located outside Indiana and the
 11 individual files an affidavit with the county auditor containing the
 12 following information:

13 (1) The names of the county and state in which the individual's
 14 spouse claims a deduction substantially similar to the deduction
 15 allowed by this section.

16 (2) A statement made under penalty of perjury that the following
 17 are true:

18 (A) That the individual and the individual's spouse maintain
 19 separate principal places of residence.

20 (B) That neither the individual nor the individual's spouse has
 21 an ownership interest in the other's principal place of
 22 residence.

23 (C) That neither the individual nor the individual's spouse has,
 24 for that same year, claimed a standard or substantially similar
 25 deduction for any property other than the property maintained
 26 as a principal place of residence by the respective individuals.

27 A county auditor may require an individual or an individual's spouse to
 28 provide evidence of the accuracy of the information contained in an
 29 affidavit submitted under this subsection. The evidence required of the
 30 individual or the individual's spouse may include state income tax
 31 returns, excise tax payment information, property tax payment
 32 information, driver license information, and voter registration
 33 information.

34 (o) If:

35 (1) a property owner files a statement under subsection (e) to
 36 claim the deduction provided by this section for a particular
 37 property; and

38 (2) the county auditor receiving the filed statement determines
 39 that the property owner's property is not eligible for the deduction;
 40 the county auditor shall inform the property owner of the county
 41 auditor's determination in writing. If a property owner's property is not
 42 eligible for the deduction because the county auditor has determined



that the property is not the property owner's principal place of residence, the property owner may appeal the county auditor's determination to the county property tax assessment board of appeals as provided in IC 6-1.1-15. The county auditor shall inform the property owner of the owner's right to appeal to the county property tax assessment board of appeals when the county auditor informs the property owner of the county auditor's determination under this subsection.

(p) An individual is entitled to the deduction under this section for a homestead for a particular assessment date if:

(1) either:

(A) the individual's interest in the homestead as described in subsection (a)(2)(B) is conveyed to the individual after the assessment date, but within the calendar year in which the assessment date occurs; or

(B) the individual contracts to purchase the homestead after the assessment date, but within the calendar year in which the assessment date occurs;

(2) on the assessment date:

(A) the property on which the homestead is currently located was vacant land; or

(B) the construction of the dwelling that constitutes the homestead was not completed;

(3) either:

*(A) the individual ~~files~~ **completes** the certified statement required by subsection (e) on or before December 31 of the calendar year in which the assessment date occurs ~~to claim the deduction under this section;~~ and **files the certified statement with the county auditor on or before January 5 of the immediately succeeding calendar year; or***

*(B) a sales disclosure form that meets the requirements of section 44 of this chapter is submitted to the county assessor on or before ~~December 31~~ **January 5** of the calendar year ~~for immediately succeeding~~ the individual's purchase of the homestead; and*

*(4) the individual files with the county auditor on or before ~~December 31~~ **January 5** of the calendar year **immediately succeeding the calendar year** in which the assessment date occurs a statement that:*

(A) lists any other property for which the individual would otherwise receive a deduction under this section for the assessment date; and



1 (B) cancels the deduction described in clause (A) for that
2 property.

3 An individual who satisfies the requirements of subdivisions (1)
4 through (4) is entitled to the deduction under this section for the
5 homestead for the assessment date, even if on the assessment date the
6 property on which the homestead is currently located was vacant land
7 or the construction of the dwelling that constitutes the homestead was
8 not completed. The county auditor shall apply the deduction for the
9 assessment date and for the assessment date in any later year in which
10 the homestead remains eligible for the deduction. A homestead that
11 qualifies for the deduction under this section as provided in this
12 subsection is considered a homestead for purposes of section 37.5 of
13 this chapter and IC 6-1.1-20.6. The county auditor shall cancel the
14 deduction under this section for any property that is located in the
15 county and is listed on the statement filed by the individual under
16 subdivision (4). If the property listed on the statement filed under
17 subdivision (4) is located in another county, the county auditor who
18 receives the statement shall forward the statement to the county
19 auditor of that other county, and the county auditor of that other
20 county shall cancel the deduction under this section for that property.

21 ~~(p)~~ (q) This subsection applies to an application for the deduction
22 provided by this section that is filed for an assessment date occurring
23 after December 31, 2013. Notwithstanding any other provision of this
24 section, an individual buying a mobile home that is not assessed as
25 real property or a manufactured home that is not assessed as real
26 property under a contract providing that the individual is to pay the
27 property taxes on the mobile home or manufactured home is not
28 entitled to the deduction provided by this section unless the parties to
29 the contract comply with IC 9-17-6-17.

30 ~~(q)~~ (r) This subsection:

31 (1) applies to an application for the deduction provided by this
32 section that is filed for an assessment date occurring after
33 December 31, 2013; and

34 (2) does not apply to an individual described in subsection ~~(p)~~
35 (q).

36 The owner of a mobile home that is not assessed as real property or a
37 manufactured home that is not assessed as real property must attach
38 a copy of the owner's title to the mobile home or manufactured home
39 to the application for the deduction provided by this section.

40 SECTION 17. IC 6-1.1-12-38, AS AMENDED BY P.L.1-2009,
41 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
42 JULY 1, 2014]: Sec. 38. (a) A person is entitled to a deduction from the



1 assessed value of the person's property in an amount equal to the
2 difference between:

3 (1) the assessed value of the person's property, including the
4 assessed value of the improvements made to comply with the
5 fertilizer storage rules adopted by the state chemist under
6 IC 15-16-2-44 and the pesticide storage rules adopted by the state
7 chemist under IC 15-16-4-52; minus

8 (2) the assessed value of the person's property, excluding the
9 assessed value of the improvements made to comply with the
10 fertilizer storage rules adopted by the state chemist under
11 IC 15-16-2-44 and the pesticide storage rules adopted by the state
12 chemist under IC 15-16-4-52.

13 (b) To obtain the deduction under this section, a person must file a
14 certified statement in duplicate, on forms prescribed by the department
15 of local government finance, with the auditor of the county in which the
16 property is subject to assessment. In addition to the certified statement,
17 the person must file a certification by the state chemist listing the
18 improvements that were made to comply with the fertilizer storage
19 rules adopted under IC 15-16-2-44 and the pesticide storage rules
20 adopted by the state chemist under IC 15-16-4-52. Subject to section
21 45 of this chapter, the statement and certification ~~must be filed during~~
22 ~~the year preceding the year the deduction will first be applied.~~ **must be**
23 **completed and dated in the calendar year for which the person**
24 **wishes to obtain the deduction, and the statement and certification**
25 **must be filed with the county auditor on or before January 5 of the**
26 **immediately succeeding calendar year.** Upon the verification of the
27 statement and certification by the assessor of the township in which the
28 property is subject to assessment, or the county assessor if there is no
29 township assessor for the township, the county auditor shall allow the
30 deduction.

31 (c) The deduction provided by this section applies only if the
32 person:

33 (1) owns the property; or

34 (2) is buying the property under contract;

35 on the assessment date for which the deduction applies.

36 SECTION 18. IC 6-1.1-12-45, AS ADDED BY P.L.144-2008,
37 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
38 JULY 1, 2014]: Sec. 45. (a) Subject to subsections (b) and (c), a
39 deduction under this chapter applies for an assessment date and for the
40 property taxes due and payable based on the assessment for that
41 assessment date, regardless of whether with respect to the real property
42 or mobile home or manufactured home not assessed as real property:



(1) the title is conveyed one (1) or more times; or
 (2) one (1) or more contracts to purchase are entered into;
 after that assessment date and on or before the next succeeding
 assessment date.

(b) Subsection (a) applies:

(1) only if the title holder or the contract buyer on that next
 succeeding assessment date is eligible for the deduction for that
 next succeeding assessment date; and

(2) regardless of whether:

(A) one (1) or more grantees of title under subsection (a)(1);

or

(B) one (1) or more contract purchasers under subsection
 (a)(2);

files a statement under this chapter to claim the deduction.

(c) A deduction applies under subsection (a) for only one (1) year.
 The requirements of this chapter for filing a statement to apply for a
 deduction under this chapter apply to subsequent years.

(d) If:

(1) a statement is filed under this chapter **in on or before
 January 5 of** a calendar year to claim a deduction under this
 chapter with respect to real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in ~~that~~ **the preceding**
 calendar year and for the property taxes due and payable based on the
 assessment for that assessment date.

(e) If:

(1) a statement is filed under this chapter in a twelve (12) month
 filing period designated under this chapter to claim a deduction
 under this chapter with respect to a mobile home or a
 manufactured home not assessed as real property; and

(2) the eligibility criteria for the deduction are met;

the deduction applies for the assessment date in that twelve (12) month
 period and for the property taxes due and payable based on the
 assessment for that assessment date.

SECTION 19. IC 6-1.1-12.6-3, AS ADDED BY P.L.70-2008,
 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2014]: Sec. 3. (a) A property owner that qualifies for the
 deduction under this chapter **and that desires to receive the
 deduction** must file a statement containing the information required by
 subsection (b) with the county auditor to claim the deduction for each
 assessment date for which the property owner wishes to receive the
 deduction **complete and date a statement containing the**



1 **information required by subsection (b) in the calendar year for**
 2 **which the person desires to obtain the deduction and file the**
 3 **statement with the county auditor on or before January 5 of the**
 4 **immediately succeeding calendar year,** in the manner prescribed in
 5 rules adopted under section 9 of this chapter. The township assessor
 6 shall verify each statement filed under this section, and the county
 7 auditor shall:

- 8 (1) make the deductions; and
- 9 (2) notify the county property tax assessment board of appeals of
- 10 all deductions approved;

11 under this section.

12 (b) The statement referred to in subsection (a) must be verified
 13 under penalties for perjury and must contain the following information:

- 14 (1) The assessed value of the real property for which the person
- 15 is claiming the deduction.
- 16 (2) The full name and complete business address of the person
- 17 claiming the deduction.
- 18 (3) The complete address and a brief description of the real
- 19 property for which the person is claiming the deduction.
- 20 (4) The name of any other county in which the person has applied
- 21 for a deduction under this chapter for that assessment date.
- 22 (5) The complete address and a brief description of any other real
- 23 property for which the person has applied for a deduction under
- 24 this chapter for that assessment date.

25 SECTION 20. IC 6-1.1-12.8-4, AS ADDED BY P.L.175-2011,
 26 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 27 JULY 1, 2014]: Sec. 4. (a) A property owner that qualifies for the
 28 deduction under this chapter **and that desires to receive the**
 29 **deduction** must ~~file a statement containing the information required by~~
 30 ~~subsection (b) with the county auditor to claim the deduction for each~~
 31 ~~assessment date for which the property owner wishes to receive the~~
 32 ~~deduction~~ **complete and date a statement containing the**
 33 **information required by subsection (b) in the calendar year for**
 34 **which the person desires to obtain the deduction and file the**
 35 **statement with the county auditor on or before January 5 of the**
 36 **immediately succeeding calendar year,** in the manner prescribed in
 37 rules adopted under section 8 of this chapter. The township assessor,
 38 or the county assessor if there is no township assessor for the township,
 39 shall verify each statement filed under this section, and the county
 40 auditor shall:

- 41 (1) make the deductions; and
- 42 (2) notify the county property tax assessment board of appeals of



1 all deductions approved;
2 under this section.

3 (b) The statement referred to in subsection (a) must be verified
4 under penalties for perjury and must contain the following information:

5 (1) The assessed value of the real property for which the person
6 is claiming the deduction.

7 (2) The full name and complete business address of the person
8 claiming the deduction.

9 (3) The complete address and a brief description of the real
10 property for which the person is claiming the deduction.

11 (4) The name of any other county in which the person has applied
12 for a deduction under this chapter for that assessment date.

13 (5) The complete address and a brief description of any other real
14 property for which the person has applied for a deduction under
15 this chapter for that assessment date.

16 (6) An affirmation by the owner that the owner is receiving not
17 more than three (3) deductions under this chapter, including the
18 deduction being applied for by the owner, either:

19 (A) as the owner of the residence in inventory; or

20 (B) as an owner that is part of an affiliated group.

21 (7) An affirmation that the real property has not been leased and
22 will not be leased for any purpose during the term of the
23 deduction.

24 SECTION 21. IC 6-1.1-17-3, AS AMENDED BY P.L.137-2012,
25 SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
26 JULY 1, 2014]: Sec. 3. (a) The proper officers of a political subdivision
27 shall formulate its estimated budget and its proposed tax rate and tax
28 levy on the form prescribed by the department of local government
29 finance and approved by the state board of accounts. The political
30 subdivision or appropriate fiscal body, if the political subdivision is
31 subject to section 20 of this chapter, shall give notice by publication to
32 taxpayers of:

33 (1) the estimated budget;

34 (2) the estimated maximum permissible levy;

35 (3) the current and proposed tax levies of each fund; and

36 (4) the amounts of excessive levy appeals to be requested.

37 The political subdivision or appropriate fiscal body shall also state the
38 time and place at which the political subdivision or appropriate fiscal
39 body will hold a public hearing on these items. The political
40 subdivision or appropriate fiscal body shall ~~publish the notice twice in~~
41 ~~accordance with IC 5-3-1 with the first publication at least ten (10)~~
42 ~~days before the date fixed for the public hearing. The first publication~~



1 must be before September 14, and the second publication must be
 2 before September 21 of the year. The political subdivision shall pay for
 3 the publishing of the notice: **submit this information to the**
 4 **department's computer gateway before September 14 of each year**
 5 **in the manner prescribed by the department. The department shall**
 6 **make this information available to taxpayers through its computer**
 7 **gateway and provide a telephone number through which taxpayers**
 8 **may request copies of a political subdivision's information under**
 9 **this subsection. The department's computer gateway must allow a**
 10 **taxpayer to search for the information under this subsection by the**
 11 **taxpayer's address.**

12 (b) For taxes due and payable in 2015 and 2016, each county
 13 shall publish a notice in accordance with IC 5-3-1 in two (2)
 14 newspapers published in the county stating the Internet address at
 15 which the information under subsection (a) is available and the
 16 telephone number through which taxpayers may request copies of
 17 a political subdivision's information under subsection (a). If only
 18 one (1) newspaper is published in the county, publication in that
 19 newspaper is sufficient. The department of local government
 20 finance shall prescribe the notice. Notice under this subsection
 21 shall be published before September 14. Counties may seek
 22 reimbursement from the political subdivisions within their legal
 23 boundaries for the cost of the notice required under this
 24 subsection. The actions under this subsection shall be completed in
 25 the manner prescribed by the department.

26 ~~(b)~~ (c) The board of directors of a solid waste management district
 27 established under IC 13-21 or IC 13-9.5-2 (before its repeal) may
 28 conduct the public hearing required under subsection (a):

- 29 (1) in any county of the solid waste management district; and
- 30 (2) in accordance with the annual notice of meetings published
- 31 under IC 13-21-5-2.

32 ~~(c)~~ (d) The trustee of each township in the county shall estimate the
 33 amount necessary to meet the cost of township assistance in the
 34 township for the ensuing calendar year. The township board shall adopt
 35 with the township budget a tax rate sufficient to meet the estimated cost
 36 of township assistance. The taxes collected as a result of the tax rate
 37 adopted under this subsection are credited to the township assistance
 38 fund.

39 (e) A political subdivision for which any of the information
 40 under subsection (a) is not submitted to the department's computer
 41 gateway in the manner prescribed by the department shall have its
 42 most recent annual appropriations and annual tax levy continued



1 for the ensuing budget year.

2 (f) If a political subdivision or appropriate fiscal body timely
3 submits the information under subsection (a) but subsequently
4 discovers the information contains a typographical error, the
5 political subdivision or appropriate fiscal body may request
6 permission from the department to submit amended information
7 to the department's computer gateway. However, such a request
8 must occur not later than seven (7) days before the public hearing
9 held under subsection (a). Acknowledgment of the correction of an
10 error shall be posted on the department's computer gateway and
11 communicated by the political subdivision or appropriate fiscal
12 body to the fiscal body of the county in which the political
13 subdivision and appropriate fiscal body are located.

14 SECTION 22. IC 6-1.1-17-16, AS AMENDED BY P.L.218-2013,
15 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
16 JULY 1, 2014]: Sec. 16. (a) Subject to the limitations and requirements
17 prescribed in this section, the department of local government finance
18 may revise, reduce, or increase a political subdivision's budget by fund,
19 tax rate, or tax levy which the department reviews under section 8 or
20 10 of this chapter.

21 (b) Subject to the limitations and requirements prescribed in this
22 section, the department of local government finance may review,
23 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
24 any of the political subdivisions whose tax rates compose the aggregate
25 tax rate within a political subdivision whose budget, tax rate, or tax
26 levy is the subject of an appeal initiated under this chapter.

27 (c) Except as provided in section 16.1 of this chapter, the
28 department of local government finance is not required to hold a public
29 hearing before the department of local government finance reviews,
30 revises, reduces, or increases a political subdivision's budget by fund,
31 tax rate, or tax levy under this section.

32 (d) Except as provided in subsection (i), IC 20-46, or IC 6-1.1-18.5,
33 the department of local government finance may not increase a political
34 subdivision's budget by fund, tax rate, or tax levy to an amount which
35 exceeds the amount originally fixed by the political subdivision.
36 However, if the department of local government finance determines
37 that IC 5-3-1-2.3(b) applies to the tax rate, tax levy, or budget of the
38 political subdivision, the maximum amount by which the department
39 may increase the tax rate, tax levy, or budget is the amount originally
40 fixed by the political subdivision, and not the amount that was
41 incorrectly published or omitted in the notice described in
42 IC 5-3-1-2.3(b). The department of local government finance shall give



the political subdivision notification electronically in the manner prescribed by the department of local government finance specifying any revision, reduction, or increase the department proposes in a political subdivision's tax levy or tax rate. The political subdivision has ten (10) calendar days from the date the political subdivision receives the notice to provide a response electronically in the manner prescribed by the department of local government finance. The response may include budget reductions, reallocation of levies, a revision in the amount of miscellaneous revenues, and further review of any other item about which, in the view of the political subdivision, the department is in error. The department of local government finance shall consider the adjustments as specified in the political subdivision's response if the response is provided as required by this subsection and shall deliver a final decision to the political subdivision.

(e) The department of local government finance may not approve a levy for lease payments by a city, town, county, library, or school corporation if the lease payments are payable to a building corporation for use by the building corporation for debt service on bonds and if:

- (1) no bonds of the building corporation are outstanding; or
- (2) the building corporation has enough legally available funds on hand to redeem all outstanding bonds payable from the particular lease rental levy requested.

(f) The department of local government finance shall certify its action to:

- (1) the county auditor;
- (2) the political subdivision if the department acts pursuant to an appeal initiated by the political subdivision;
- (3) the taxpayer that initiated an appeal under section 13 of this chapter, or, if the appeal was initiated by multiple taxpayers, the first ten (10) taxpayers whose names appear on the statement filed to initiate the appeal; and
- (4) a taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

(g) The following may petition for judicial review of the final determination of the department of local government finance under subsection (f):

- (1) If the department acts under an appeal initiated by a political subdivision, the political subdivision.
- (2) If the department:
 - (A) acts under an appeal initiated by one (1) or more taxpayers under section 13 of this chapter; or



(B) fails to act on the appeal before the department certifies its action under subsection (f);

a taxpayer who signed the statement filed to initiate the appeal.

(3) If the department acts under an appeal initiated by the county auditor under section 14 of this chapter, the county auditor.

(4) A taxpayer that owns property that represents at least ten percent (10%) of the taxable assessed valuation in the political subdivision.

The petition must be filed in the tax court not more than forty-five (45) days after the department certifies its action under subsection (f).

(h) The department of local government finance is expressly directed to complete the duties assigned to it under this section not later than February 15 of each year for taxes to be collected during that year.

(i) Subject to the provisions of all applicable statutes, the department of local government finance ~~may~~ **shall** increase a political subdivision's tax levy to an amount that exceeds the amount originally ~~fixed~~ **advertised or adopted** by the political subdivision if:

(1) the increase is ~~(+)~~ requested in writing by the officers of the political subdivision;

(2) ~~either:~~ **the requested increase is published on the department's advertising Internet web site; and**

~~(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or~~

~~(B) results from an inadvertent mathematical error made in determining the levy; and~~

(3) ~~published by the political subdivision according to a notice provided by the department. notice is given to the county fiscal body of the error and the department's correction.~~

If the department increases a levy beyond what was advertised or adopted under this subsection, it shall reduce the levy for each fund affected below the maximum allowable levy by the lesser of five percent (5%) of the difference between the advertised or adopted levy and the increased levy, or one hundred thousand dollars (\$100,000).

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.



SECTION 23. IC 6-1.1-20-0.5, AS ADDED BY P.L.218-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 0.5. (a) This section applies to a preliminary determination to issue bonds or enter into a lease made after June 30, 2013.

(b) In determining whether a project is a controlled project for purposes of this chapter and whether the petition and remonstrance process under sections 3.1 and 3.2 of this chapter or the referendum process under sections 3.5 and 3.6 of this chapter apply to the project, the cost of the project does not include expenditures for the project that will be paid from donations or other gifts:

- (1) that are received by the political subdivision; and
- (2) for which the political subdivision adopts an ordinance or resolution pledging that the donations or other gifts will be used exclusively for expenditures on the project's costs.

(c) State and local public funds, including allocated property taxes and other funds of a redevelopment commission, are not considered donations or gifts for purposes of this section.

SECTION 24. IC 6-1.1-20.6-4, AS AMENDED BY P.L.288-2013, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2014 (RETROACTIVE)]: Sec. 4. As used in this chapter, "residential property" refers to real property that consists of any of the following:

- (1) A single family dwelling that is not part of a homestead and the land, not exceeding one (1) acre, on which the dwelling is located.
- (2) Real property that consists of:
 - (A) a building that includes two (2) or more dwelling units;
 - (B) any common areas shared by the dwelling units (including any land that is a common area, as described in section 1.2(b)(2) of this chapter); and
 - (C) the land on which the building is located.
- (3) Land rented or leased for the placement of a manufactured home or mobile home, including any common areas shared by the manufactured homes or mobile homes.

The term includes a single family dwelling that is under construction and the land, not exceeding one (1) acre, on which the dwelling will be located. The term does not include real property that consists of a commercial hotel, motel, inn, tourist camp, or tourist cabin.

SECTION 25. IC 6-1.1-21.2-11, AS AMENDED BY P.L.146-2008, SECTION 238, IS AMENDED TO READ AS FOLLOWS



[EFFECTIVE JULY 1, 2014]: Sec. 11. (a) The governing body shall estimate the tax increment replacement amount for each allocation area under the jurisdiction of the governing body for the next calendar year ~~on the schedule prescribed by the department of local government finance: in accordance with IC 36-7-14-39(b).~~

(b) The tax increment replacement amount is the greater of zero (0) or the net amount by which:

(1) laws enacted by the general assembly; and

(2) actions taken by the department of local government finance; after the establishment of the allocation area have decreased the tax increment revenues of the allocation area for the next calendar year (after adjusting for any increases resulting from laws or actions of the department of local government finance) below the sum of the amount needed to make all payments that are due in the next calendar year on obligations payable from tax increment revenues and to maintain any tax increment revenue to obligation payment ratio required by an agreement on which any of the obligations are based.

SECTION 26. IC 8-22-3-11, AS AMENDED BY P.L.139-2013, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 11. (a) The board may do all acts necessary or reasonably incident to carrying out the purposes of this chapter, including the following:

(1) As a municipal corporation, to sue and be sued in its own name.

(2) To have all the powers and duties conferred by statute upon boards of aviation commissioners. The board supersedes all boards of aviation commissioners within the district. The board has exclusive jurisdiction within the district.

(3) To protect all property owned or managed by the board.

(4) To adopt an annual budget and levy taxes in accordance with this chapter.

(A) The board may not levy taxes on property in excess of the ~~following rate schedule; tax rate specified in subsection (b),~~ except as provided in sections 17 and 25 of this chapter.

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$300 million or less	\$0.10
More than \$300 million but not more than \$450 million	\$0.0833
More than \$450 million but not more than \$600 million	\$0.0667
More than \$600 million	



- 1 ~~but not more than \$900 million~~ ~~\$0.05~~
2 ~~More than \$900 million~~ ~~\$0.0333~~
3 (B) Clause (A) ~~does and subsection (b) do~~ not apply to an
4 authority that was established under IC 19-6-2 or IC 19-6-3
5 (before their repeal on April 1, 1980).
6 (C) The board of an authority that was established under
7 IC 19-6-3 (before its repeal on April 1, 1980) may levy taxes
8 on property not in excess of six and sixty-seven hundredths
9 cents (\$0.0667) on each one hundred dollars (\$100) of
10 assessed valuation.
11 (5) To incur indebtedness in the name of the authority in
12 accordance with this chapter.
13 (6) To adopt administrative procedures, rules, and regulations.
14 (7) To acquire property, real, personal, or mixed, by deed,
15 purchase, lease, condemnation, or otherwise and dispose of it for
16 use or in connection with or for administrative purposes of the
17 airport; to receive gifts, donations, bequests, and public trusts and
18 to agree to conditions and terms accompanying them and to bind
19 the authority to carry them out; to receive and administer federal
20 or state aid; and to erect buildings or structures that may be
21 needed to administer and carry out this chapter.
22 (8) To determine matters of policy regarding internal organization
23 and operating procedures not specifically provided for otherwise.
24 (9) To adopt a schedule of reasonable charges and to collect them
25 from all users of facilities and services within the district.
26 (10) To purchase supplies, materials, and equipment to carry out
27 the duties and functions of the board in accordance with
28 procedures adopted by the board.
29 (11) To employ personnel that are necessary to carry out the
30 duties, functions, and powers of the board.
31 (12) To establish an employee pension plan. The board may, upon
32 due investigation, authorize and begin a fair and reasonable
33 pension or retirement plan and program for personnel, the cost to
34 be borne by either the authority or by the employee or by both, as
35 the board determines. If the authority was established under
36 IC 19-6-2 (before its repeal on April 1, 1980), the entire cost must
37 be borne by the authority, and ordinances creating the plan or
38 making changes in it must be approved by the mayor of the city.
39 The plan may be administered and funded by a trust fund or by
40 insurance purchased from an insurance company licensed to do
41 business in Indiana or by a combination of them. The board may
42 also include in the plan provisions for life insurance, disability



1 insurance, or both.

2 (13) To sell surplus real or personal property in accordance with
3 law. If the board negotiates an agreement to sell trees situated in
4 woods or forest areas owned by the board, the trees are considered
5 to be personal property of the board for severance or sale.

6 (14) To adopt and use a seal.

7 (15) To acquire, establish, construct, improve, equip, maintain,
8 control, lease, and regulate municipal airports, landing fields, and
9 other air navigation facilities, either inside or outside the district;
10 to acquire by lease (with or without the option to purchase)
11 airports, landing fields, or navigation facilities, and any structures,
12 equipment, or related improvements; and to erect, install,
13 construct, and maintain at the airport or airports facilities for the
14 servicing of aircraft and for the comfort and accommodation of air
15 travelers and the public. The Indiana department of transportation
16 must grant its approval before land may be purchased for the
17 establishment of an airport or landing field and before an airport
18 or landing field may be established.

19 (16) To fix and determine exclusively the uses to which the
20 airport lands may be put, including land use planning and zoning.
21 All uses must be necessary or desirable to the airport or the
22 aviation industry and must be compatible with the uses of the
23 surrounding lands as far as practicable. The jurisdiction granted
24 under this subdivision is superior to that of any other local
25 government unit or entity with respect to airport lands.

26 (17) To elect a secretary from its membership, or to employ a
27 secretary, an airport director, superintendents, managers, a
28 treasurer, engineers, surveyors, attorneys, clerks, guards,
29 mechanics, laborers, and all employees the board considers
30 expedient, and to prescribe and assign their respective duties and
31 authorities and to fix and regulate the compensation to be paid to
32 the persons employed by it in accordance with the authority's
33 appropriations. All employees shall be selected irrespective of
34 their political affiliations.

35 (18) To make all rules and regulations, consistent with laws
36 regarding air commerce, for the management and control of its
37 airports, landing fields, air navigation facilities, and other
38 property under its control.

39 (19) To acquire by lease the use of an airport or landing field for
40 aircraft pending the acquisition and improvement of an airport or
41 landing field.

42 (20) To manage and operate airports, landing fields, and other air



1 navigation facilities acquired or maintained by an authority; to
 2 lease all or part of an airport, landing field, or any buildings or
 3 other structures, and to fix, charge, and collect rentals, tolls, fees,
 4 and charges to be paid for the use of the whole or a part of the
 5 airports, landing fields, or other air navigation facilities by aircraft
 6 landing there and for the servicing of the aircraft; to construct
 7 public recreational facilities that will not interfere with air
 8 operational facilities; to fix, charge, and collect fees for public
 9 admissions and privileges; and to make contracts for the operation
 10 and management of the airports, landing fields, and other air
 11 navigation facilities; and to provide for the use, management, and
 12 operation of the air navigation facilities through lessees, its own
 13 employees, or otherwise. Contracts for the maintenance,
 14 operation, or use of the airport or any part of it may be made for
 15 a term not exceeding fifteen (15) years and may be extended for
 16 similar terms of years. However, the airport, including all or part
 17 of its land, facilities, or structures, may be leased for any use
 18 connected with the operation and convenience of the airport for
 19 an initial term not exceeding forty (40) years and may be extended
 20 for a period not to exceed ten (10) years. If a person whose
 21 character, experience, and financial responsibility have been
 22 determined satisfactory by the board offers to erect a permanent
 23 structure that facilitates and is consistent with the operation, use,
 24 and purpose of the airport on land belonging to the airport, a lease
 25 may be entered into for a period not to exceed ninety-nine (99)
 26 years. However, the board must pass an ordinance to enter into
 27 such a lease. The board may not grant an exclusive right for the
 28 use of a landing area under its jurisdiction. However, this does not
 29 prevent the making of leases in accordance with other provisions
 30 of this chapter. All contracts, and leases, are subject to restrictions
 31 and conditions that the board prescribes. The authority may lease
 32 its property and facilities for any commercial or industrial use it
 33 considers necessary and proper, including the use of providing
 34 airport motel facilities. For the airport authority established by the
 35 city of Gary, the board may approve a lease, management
 36 agreement, or other contract:

37 (A) with a person:

38 (i) who is selected by the board using the procedures under
 39 IC 36-1-9.5; and

40 (ii) whose character, experience, and financial responsibility
 41 have been determined satisfactory by the board; and

42 (B) to use, plan, design, acquire, construct, reconstruct,



1 improve, extend, expand, lease, operate, repair, manage,
 2 maintain, or finance all or any part of the airport and its
 3 landing fields, air navigation facilities, and other buildings and
 4 structures for a period not to exceed ninety-nine (99) years.
 5 However, the board must pass an ordinance to enter into such
 6 a lease, management agreement, or other contract. All
 7 contracts, leases, and management agreements are subject to
 8 restrictions and conditions that the board prescribes. The
 9 authority may lease its property and facilities for any
 10 commercial or industrial use it considers necessary and proper,
 11 including the use of providing airport motel facilities. A lease,
 12 management agreement, or other contract entered into under
 13 this section or any other provision of this chapter may be
 14 entered into without complying with IC 5-23.

15 (21) To sell machinery, equipment, or material that is not required
 16 for aviation purposes. The proceeds shall be deposited with the
 17 treasurer of the authority.

18 (22) To negotiate and execute contracts for sale or purchase,
 19 lease, personal services, materials, supplies, equipment, or any
 20 other transaction or business relative to an airport under the
 21 board's control and operation. However, whenever the board
 22 determines to sell part or all of aviation lands, buildings, or
 23 improvements owned by the authority, the sale must be in
 24 accordance with law.

25 (23) To vacate all or parts of roads, highways, streets, or alleys,
 26 whether inside or outside the district, in the manner provided by
 27 statute.

28 (24) To annex lands to itself if the lands are owned by the
 29 authority or are streets, roads, or other public ways.

30 (25) To approve any state, county, city, or other highway, road,
 31 street or other public way, railroad, power line, or other
 32 right-of-way to be laid out or opened across an airport or in such
 33 proximity as to affect the safe operation of the airport.

34 (26) To construct drainage and sanitary sewers with connections
 35 and outlets as are necessary for the proper drainage and
 36 maintenance of an airport or landing field acquired or maintained
 37 under this chapter, including the necessary buildings and
 38 improvements and for the public use of them in the same manner
 39 that the authority may construct sewers and drains. However, with
 40 respect to the construction of drains and sanitary sewers beyond
 41 the boundaries of the airport or landing field, the board shall
 42 proceed in the same manner as private owners of property and



may institute proceedings and negotiate with the departments, bodies, and officers of an eligible entity to secure the proper orders and approvals; and to order a public utility or public service corporation or other person to remove or to install in underground conduits wires, cables, and power lines passing through or over the airport or landing field or along the borders or within a reasonable distance that may be determined to be necessary for the safety of operations, upon payment to the utility or other person of due compensation for the expense of the removal or reinstallation. The board must consent before any franchise may be granted by state or local authorities for the construction of or maintenance of railway, telephone, telegraph, electric power, pipe, or conduit line upon, over, or through land under the control of the board or within a reasonable distance of land that is necessary for the safety of operation. The board must also consent before overhead electric power lines carrying a voltage of more than four thousand four hundred (4,400) volts and having poles, standards, or supports over thirty (30) feet in height within one-half (1/2) mile of a landing area acquired or maintained under this chapter may be installed.

(27) To contract with any other state agency or instrumentality or any political subdivision for the rendition of services, the rental or use of equipment or facilities, or the joint purchase and use of equipment or facilities that are necessary for the operation, maintenance, or construction of an airport operated under this chapter.

(28) To provide air transportation in furtherance of the duties and responsibilities of the board.

(29) To promote or encourage aviation-related trade or commerce at the airports that it operates.

(30) To provide aviation services to public use airports within or outside Indiana either directly or through an affiliate entity established by the board.

(b) Except as provided in sections 17 and 25 of this chapter, a board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars (\$300,000,000) or less, a tax rate of ten cents (\$0.10) per one hundred dollars (\$100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred million dollars (\$300,000,000) but not more than four hundred fifty million dollars (\$450,000,000), the tax rate necessary to raise property tax revenue equal to the sum of:



- 1 (A) three hundred thousand dollars (\$300,000); plus
 2 (B) the amount that would be raised by applying a tax rate
 3 of eight and thirty-three hundredths cents (\$0.0833) (as
 4 adjusted under IC 6-1.1-18-12) per one hundred dollars
 5 (\$100) of assessed valuation that exceeds three hundred
 6 million dollars (\$300,000,000).
 7 (3) If the total assessed valuation is more than four hundred
 8 fifty million dollars (\$450,000,000) but not more than six
 9 hundred million dollars (\$600,000,000), the tax rate necessary
 10 to raise property tax revenue equal to the sum of:
 11 (A) three hundred seventy-four thousand eight hundred
 12 fifty dollars (\$374,850); plus
 13 (B) the amount that would be raised by applying a tax rate
 14 of six and sixty-seven hundredths cents (\$0.0667) (as
 15 adjusted under IC 6-1.1-18-12) per one hundred dollars
 16 (\$100) of assessed valuation that exceeds four hundred fifty
 17 million dollars (\$450,000,000).
 18 (4) If the total assessed valuation is more than six hundred
 19 million dollars (\$600,000,000) but not more than nine hundred
 20 million dollars (\$900,000,000), the tax rate necessary to raise
 21 property tax revenue equal to the sum of:
 22 (A) four hundred thousand two hundred dollars
 23 (\$400,200); plus
 24 (B) the amount that would be raised by applying a tax rate
 25 of five cents (\$0.05) (as adjusted under IC 6-1.1-18-12) per
 26 one hundred dollars (\$100) of assessed valuation that
 27 exceeds six hundred million dollars (\$600,000,000).
 28 (5) If the total assessed valuation is more than nine hundred
 29 million dollars (\$900,000,000), the tax rate necessary to raise
 30 property tax revenue equal to the sum of:
 31 (A) four hundred fifty thousand dollars (\$450,000); plus
 32 (B) the amount that would be raised by applying a tax rate
 33 of three and thirty-three hundredths cents (\$0.0333) (as
 34 adjusted under IC 6-1.1-18-12) per one hundred dollars
 35 (\$100) of assessed valuation that exceeds nine hundred
 36 million dollars (\$900,000,000).

37 SECTION 27. IC 8-22-3-25, AS AMENDED BY P.L.139-2013,
 38 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 39 UPON PASSAGE]: Sec. 25. (a) Subject to subsection (c), the board
 40 may provide a cumulative building fund in compliance with
 41 IC 6-1.1-41 to provide for the acquisition of real property, and the
 42 construction, enlarging, improving, remodeling, repairing, or equipping



of buildings, structures, runways, or other facilities for use in connection with the airport needed to carry out this chapter and to facilitate and support commercial air transportation.

(b) The board may levy in compliance with IC 6-1.1-41 a tax not to exceed:

(1) thirty-three hundredths of one cent (\$0.0033) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if an eligible entity other than a city established the district or if the district was established jointly with an eligible entity that is not a city;

(2) one and thirty-three hundredths cents (\$0.0133) on each one hundred dollars (\$100) of assessed value of taxable property within the district, if the authority was established under IC 19-6-3 (before its repeal on April 1, 1980); and

(3) for any other district not described in subdivision (1) or (2), the following: **tax rate specified in subsection (c).**

Total Assessed Property Valuation	Rate Per \$100 Of Assessed Valuation
\$300 million or less	\$0.0167
More than \$300 million but not more than \$450 million	\$0.0133
More than \$450 million but not more than \$600 million	\$0.01
More than \$600 million but not more than \$900 million	\$0.0067
More than \$900 million	\$0.0033

As the tax is collected it may be invested in negotiable United States bonds or other securities that the federal government has the direct obligation to pay. Any of the funds collected that are not invested in government obligations shall be deposited in accordance with IC 5-13-6 and shall be withdrawn in the same manner as money is regularly withdrawn from the general fund but without further or additional appropriation. The levy authorized by this section is in addition to the levies authorized by section 11 and section 23 of this chapter.

(c) For any district not described in subsection (b)(1) or (b)(2), the board may impose a tax rate that does not exceed the following:

(1) If the total assessed valuation is three hundred million dollars (\$300,000,000) or less, a tax rate of one and sixty-seven hundredths cents (\$0.0167) per one hundred dollars (\$100) of assessed valuation.

(2) If the total assessed valuation is more than three hundred



1 million dollars (\$300,000,000) but not more than four hundred
 2 fifty million dollars (\$450,000,000), the tax rate necessary to
 3 raise property tax revenue equal to the sum of:

4 (A) fifty thousand one hundred dollars (\$50,100); plus

5 (B) the amount that would be raised by applying a tax rate
 6 of one and thirty-three hundredths cents (\$0.0133) (as
 7 adjusted under IC 6-1.1-18-12) per one hundred dollars
 8 (\$100) of assessed valuation that exceeds three hundred
 9 million dollars (\$300,000,000).

10 (3) If the total assessed valuation is more than four hundred
 11 fifty million dollars (\$450,000,000) but not more than six
 12 hundred million dollars (\$600,000,000), the tax rate necessary
 13 to raise property tax revenue equal to the sum of:

14 (A) fifty-nine thousand eight hundred fifty dollars
 15 (\$59,850); plus

16 (B) the amount that would be raised by applying a tax rate
 17 of one cent (\$0.01) (as adjusted under IC 6-1.1-18-12) per
 18 one hundred dollars (\$100) of assessed valuation that
 19 exceeds four hundred fifty million dollars (\$450,000,000).

20 (4) If the total assessed valuation is more than six hundred
 21 million dollars (\$600,000,000) but not more than nine hundred
 22 million dollars (\$900,000,000), the tax rate necessary to raise
 23 property tax revenue equal to the sum of:

24 (A) sixty thousand dollars (\$60,000); plus

25 (B) the amount that would be raised by applying a tax rate
 26 of sixty-seven hundredths of a cent (\$0.0067) (as adjusted
 27 under IC 6-1.1-18-12) per one hundred dollars (\$100) of
 28 assessed valuation that exceeds six hundred million dollars
 29 (\$600,000,000).

30 (5) If the total assessed valuation is more than nine hundred
 31 million dollars (\$900,000,000), the tax rate necessary to raise
 32 property tax revenue equal to the sum of:

33 (A) sixty thousand three hundred dollars (\$60,300); plus

34 (B) the amount that would be raised by applying a tax rate
 35 of thirty-three hundredths of a cent (\$0.0033) (as adjusted
 36 under IC 6-1.1-18-12) per one hundred dollars (\$100) of
 37 assessed valuation that exceeds nine hundred million
 38 dollars (\$900,000,000).

39 ~~(c)~~ (d) Spending under subsection (a) to facilitate and support
 40 commercial intrastate air transportation is subject to a maximum of one
 41 million dollars (\$1,000,000) cumulatively for all years in which money
 42 is spent under that subsection.



1 SECTION 28. IC 8-22-3-31, AS AMENDED BY P.L.182-2009(ss),
 2 SECTION 270, IS AMENDED TO READ AS FOLLOWS
 3 [EFFECTIVE UPON PASSAGE]: Sec. 31. (a) The authority, acting by
 4 and through its board under IC 8-21-8, may accept, receive, and receipt
 5 for federal, other public, or private monies for the acquisition,
 6 construction, enlargement, improvement, maintenance, equipment, or
 7 operation of airports, other air navigation facilities, and sites for them,
 8 and comply with federal laws made for the expenditure of federal
 9 monies upon airports and other air navigation facilities.

10 (b) Subject to IC 8-21-8, the board has exclusive power to submit to
 11 the proper state and federal agencies applications for grants of funds
 12 for airport development and to make or execute representations,
 13 assurances and contracts, to enter into covenants and agreements with
 14 state or federal agency or agencies relative to the development of an
 15 airport, and to comply with all federal and state laws pertaining to the
 16 acquisition, development, operation, and administration of airports and
 17 properties by the authority.

18 (c) This subsection applies only to the airport authority established
 19 by the city of Gary. The authority may assign the powers described in
 20 this section to a lessee or other operator with whom it enters into a
 21 lease, management agreement, or other contract under ~~section 11(20)~~
 22 **section 11(a)(20)** of this chapter if the board has determined that the
 23 lessee or other operator has the expertise and experience to operate the
 24 facilities of the authority in accordance with prudent airport operating
 25 standards.

26 SECTION 29. IC 36-4-7-6 IS AMENDED TO READ AS
 27 FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 6. Before the
 28 ~~publication submission~~ of notice of budget estimates required by
 29 IC 6-1.1-17-3, each city shall formulate a budget estimate for the
 30 ensuing budget year in the following manner:

31 (1) Each department head shall prepare for ~~his~~ **the** department an
 32 estimate of the amount of money required for the ensuing budget
 33 year, stating in detail each category and item of expenditure ~~he~~
 34 **the department head** anticipates.

35 (2) The city fiscal officer shall prepare an itemized estimate of
 36 revenues available for the ensuing budget year, and shall prepare
 37 an itemized estimate of expenditures for other purposes above the
 38 money proposed to be used by the departments.

39 (3) The city executive shall meet with the department heads and
 40 the fiscal officer to review and revise their various estimates.

41 (4) After the executive's review and revision, the fiscal officer
 42 shall prepare for the executive a report of the estimated



department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 30. IC 36-5-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 3. Before the ~~publication~~ **submission** of notice of budget estimates required by IC 6-1.1-17-3, each town shall formulate a budget estimate for the ensuing budget year in the following manner, unless it provides by ordinance for a different manner:

(1) Each department head shall prepare for ~~his~~ **the** department an estimate of the amount of money required for the ensuing budget year, stating in detail each category and item of expenditure ~~he~~ **the department head** anticipates.

(2) The town fiscal officer shall prepare an itemized estimate of revenues available for the ensuing budget year, and shall prepare an itemized estimate of expenditures for other purposes above the money proposed to be used by the departments.

(3) The town executive shall meet with the department heads and the fiscal officer to review and revise their various estimates.

(4) After the executive's review and revision, the fiscal officer shall prepare for the executive a report of the estimated department budgets, miscellaneous expenses, and revenues necessary or available to finance the estimates.

SECTION 31. IC 36-7-14-13, AS AMENDED BY P.L.218-2013, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 13. (a) Not later than ~~March 15~~ **June 1** of each year, the redevelopment commissioners or their designees shall file with the unit's executive a report setting out their activities during the preceding calendar year.

(b) The report of the commissioners of a municipal redevelopment commission must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commissioners and the results obtained. **The report must also include the following information set forth for each tax increment financing district regarding the previous year:**

(1) Revenues received.

(2) Expenses paid.



(3) Fund balances.

(4) The amount and maturity date for all outstanding obligations.

(5) The amount paid on outstanding obligations.

(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

(c) The report of the commissioners of a county redevelopment commission must show all the information required by subsection (b), plus the names of any commissioners appointed to or removed from office during the preceding calendar year.

(d) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format: **through the department's computer gateway.**

(e) Before August 1 each year, the redevelopment commissioners shall also submit a report to the fiscal body of the unit. The report must include the following information set forth for each tax increment financing district regarding the previous year:

(1) Revenues received:

(2) Expenses paid:

(3) Fund balances:

(4) The amount and maturity date for all outstanding obligations:

(5) The amount paid on outstanding obligations:

(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

Before October 1 each year, the fiscal body shall compile the reports received for all the tax increment financing districts and submit a comprehensive report to the department of local government finance in the form required by the department of local government finance:

SECTION 32. IC 36-7-14-39, AS AMENDED BY P.L.218-2013, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 39. (a) As used in this section:

"Allocation area" means that part of a redevelopment project area to which an allocation provision of a declaratory resolution adopted under section 15 of this chapter refers for purposes of distribution and allocation of property taxes.

"Base assessed value" means the following:

(1) If an allocation provision is adopted after June 30, 1995, in a declaratory resolution or an amendment to a declaratory resolution establishing an economic development area:

(A) the net assessed value of all the property as finally



- 1 determined for the assessment date immediately preceding the
 2 effective date of the allocation provision of the declaratory
 3 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus
 4 **(B)** to the extent that it is not included in clause **(A)**, the net
 5 assessed value of property that is assessed as residential
 6 property under the rules of the department of local government
 7 finance, as finally determined for any assessment date after the
 8 effective date of the allocation provision.
- 9 **(2)** If an allocation provision is adopted after June 30, 1997, in a
 10 declaratory resolution or an amendment to a declaratory
 11 resolution establishing a redevelopment project area:
 12 **(A)** the net assessed value of all the property as finally
 13 determined for the assessment date immediately preceding the
 14 effective date of the allocation provision of the declaratory
 15 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus
 16 **(B)** to the extent that it is not included in clause **(A)**, the net
 17 assessed value of property that is assessed as residential
 18 property under the rules of the department of local government
 19 finance, as finally determined for any assessment date after the
 20 effective date of the allocation provision.
- 21 **(3)** If:
 22 **(A)** an allocation provision adopted before June 30, 1995, in
 23 a declaratory resolution or an amendment to a declaratory
 24 resolution establishing a redevelopment project area expires
 25 after June 30, 1997; and
 26 **(B)** after June 30, 1997, a new allocation provision is included
 27 in an amendment to the declaratory resolution;
 28 the net assessed value of all the property as finally determined for
 29 the assessment date immediately preceding the effective date of
 30 the allocation provision adopted after June 30, 1997, as adjusted
 31 under subsection ~~(h)~~; **(j)**.
- 32 **(4)** Except as provided in subdivision **(5)**, for all other allocation
 33 areas, the net assessed value of all the property as finally
 34 determined for the assessment date immediately preceding the
 35 effective date of the allocation provision of the declaratory
 36 resolution, as adjusted under subsection ~~(h)~~; **(j)**.
- 37 **(5)** If an allocation area established in an economic development
 38 area before July 1, 1995, is expanded after June 30, 1995, the
 39 definition in subdivision **(1)** applies to the expanded part of the
 40 area added after June 30, 1995.
- 41 **(6)** If an allocation area established in a redevelopment project
 42 area before July 1, 1997, is expanded after June 30, 1997, the



definition in subdivision (2) applies to the expanded part of the area added after June 30, 1997.

"Obligation" includes currently outstanding bonds, leases, and contracts.

Except as provided in section 39.3 of this chapter, "property taxes" means taxes imposed under IC 6-1.1 on real property. However, upon approval by a resolution of the redevelopment commission adopted before June 1, 1987, "property taxes" also includes taxes imposed under IC 6-1.1 on depreciable personal property. If a redevelopment commission adopted before June 1, 1987, a resolution to include within the definition of property taxes taxes imposed under IC 6-1.1 on depreciable personal property that has a useful life in excess of eight (8) years, the commission may by resolution determine the percentage of taxes imposed under IC 6-1.1 on all depreciable personal property that will be included within the definition of property taxes. However, the percentage included must not exceed twenty-five percent (25%) of the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A declaratory resolution adopted under section 15 of this chapter on or before the allocation deadline determined under subsection ~~(j)~~ (k) may include a provision with respect to the allocation and distribution of property taxes for the purposes and in the manner provided in this section. A declaratory resolution previously adopted may include an allocation provision by the amendment of that declaratory resolution on or before the allocation deadline determined under subsection ~~(j)~~ (k) in accordance with the procedures required for its original adoption. A declaratory resolution or an amendment that establishes an allocation provision after June 30, 1995, must specify an expiration date for the allocation provision. For an allocation area established before July 1, 2008, the expiration date may not be more than thirty (30) years after the date on which the allocation provision is established. For an allocation area established after June 30, 2008, the expiration date may not be more than twenty-five (25) years after the date on which the first obligation was incurred to pay principal and interest on bonds or lease rentals on leases payable from tax increment revenues. However, with respect to bonds or other obligations that were issued before July 1, 2008, if any of the bonds or other obligations that were scheduled when issued to mature before the specified expiration date and that are payable only from allocated tax proceeds with respect to the allocation area remain outstanding as of the expiration date, the allocation provision does not expire until all of the bonds or other obligations are no longer outstanding. The allocation provision may apply to all or part of the redevelopment project area. The allocation provision must



1 require that any property taxes subsequently levied by or for the benefit
 2 of any public body entitled to a distribution of property taxes on taxable
 3 property in the allocation area be allocated and distributed as follows:

4 (1) Except as otherwise provided in this section, the proceeds of
 5 the taxes attributable to the lesser of:

6 (A) the assessed value of the property for the assessment date
 7 with respect to which the allocation and distribution is made;

8 or

9 (B) the base assessed value;

10 shall be allocated to and, when collected, paid into the funds of
 11 the respective taxing units.

12 (2) The excess of the proceeds of the property taxes imposed for
 13 the assessment date with respect to which the allocation and
 14 distribution is made that are attributable to taxes imposed after
 15 being approved by the voters in a referendum or local public
 16 question conducted after April 30, 2010, not otherwise included
 17 in subdivision (1) shall be allocated to and, when collected, paid
 18 into the funds of the taxing unit for which the referendum or local
 19 public question was conducted.

20 (3) Except as otherwise provided in this section, property tax
 21 proceeds in excess of those described in subdivisions (1) and (2)
 22 shall be allocated to the redevelopment district and, when
 23 collected, paid into an allocation fund for that allocation area that
 24 may be used by the redevelopment district only to do one (1) or
 25 more of the following:

26 (A) Pay the principal of and interest on any obligations
 27 payable solely from allocated tax proceeds which are incurred
 28 by the redevelopment district for the purpose of financing or
 29 refinancing the redevelopment of that allocation area.

30 (B) Establish, augment, or restore the debt service reserve for
 31 bonds payable solely or in part from allocated tax proceeds in
 32 that allocation area.

33 (C) Pay the principal of and interest on bonds payable from
 34 allocated tax proceeds in that allocation area and from the
 35 special tax levied under section 27 of this chapter.

36 (D) Pay the principal of and interest on bonds issued by the
 37 unit to pay for local public improvements that are physically
 38 located in or physically connected to that allocation area.

39 (E) Pay premiums on the redemption before maturity of bonds
 40 payable solely or in part from allocated tax proceeds in that
 41 allocation area.

42 (F) Make payments on leases payable from allocated tax



proceeds in that allocation area under section 25.2 of this chapter.

(G) Reimburse the unit for expenditures made by it for local public improvements (which include buildings, parking facilities, and other items described in section 25.1(a) of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) For property taxes first due and payable before January 1, 2009, pay all or a part of a property tax replacement credit to taxpayers in an allocation area as determined by the redevelopment commission. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(i) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4 (before its repeal) that is attributable to the taxing district; by

(ii) the STEP ONE sum.

STEP THREE: Multiply:

(i) the STEP TWO quotient; times

(ii) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under section 39.5 of this chapter (before its repeal) in the same year.

(J) Pay expenses incurred by the redevelopment commission



for local public improvements that are in the allocation area or serving the allocation area. Public improvements include buildings, parking facilities, and other items described in section 25.1(a) of this chapter.

(K) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

- (i) in the allocation area; and
- (ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(L) Pay the costs of carrying out an eligible efficiency project (as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (K), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

The allocation fund may not be used for operating expenses of the commission.

(4) Except as provided in subsection ~~(g)~~, **(i)**, before July 15 of each year, the commission shall ~~do the following:~~ **conduct a public hearing. Notice of the hearing shall be given in accordance with IC 5-3-1. The commission shall also provide**



a copy of the notice to the department of local government finance and each taxing unit within an allocation area governed by the commission at least ten (10) days before the hearing. The notice must include:

- (A) estimated incremental revenues for the ensuing year;
- (B) estimated obligations to be paid for the ensuing year;
- (C) actual obligations paid in the previous year; and
- (D) estimated fiscal impact to the taxing units if:

- (i) the commission captures the amount it intends to capture; and
- (ii) the commission releases all incremental assessed valuation.

(5) At the close of the hearing, the commission shall:

(A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the amount of assessed value needed to produce the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3), plus the amount necessary for other purposes described in subdivision (3).

(B) Determine the tax increment replacement amount under IC 6-1.1-21.2-11.

(C) Present an estimate of tax increment revenues and financial obligations for the ensuing year.

(c) Following the hearing, but before July 15, the fiscal body of the county or municipality that established the department of redevelopment shall adopt an ordinance stating the amount of incremental assessed valuation to be released and the maximum amount of incremental tax revenue to be captured. The department of redevelopment and each corresponding redevelopment commission and allocation area is bound by the fiscal body's ordinance. The maximum amount of revenue captured must be sufficient to fund the outstanding obligations. Incremental revenues exceeding the maximum amount allowed under this subsection shall be returned to the other taxing units during settlement.

(d) Following the hearing, the commission shall provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies



under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(i) (1) state the amount, if any, of excess assessed value that the ~~commission~~ **fiscal body** has determined may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; **subsection (b)(1)**; or

(ii) (2) state that the ~~commission~~ **fiscal body** has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; **subsection (b)(1)**.

The commission shall also submit the fiscal body's ordinance along with the written notice. The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the ~~commission~~ **fiscal body**. The ~~commission~~ **fiscal body** may not authorize an allocation of assessed value to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in ~~subdivision (3)~~ **subsection (b)(3)** or lessors under section 25.3 of this chapter.

(c) (e) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective date of the allocation provision of the declaratory resolution is the lesser of:

- (1) the assessed value of the property for the assessment date with respect to which the allocation and distribution is made; or
- (2) the base assessed value.

(d) (f) Property tax proceeds allocable to the redevelopment district under subsection (b)(3) may, subject to subsection (b)(4), be irrevocably pledged by the redevelopment district for payment as set forth in subsection (b)(3).

(e) (g) Notwithstanding any other law, each assessor shall, upon petition of the redevelopment commission, reassess the taxable property situated upon or in, or added to, the allocation area, effective on the next assessment date after the petition.

(f) (h) Notwithstanding any other law, the assessed value of all taxable property in the allocation area, for purposes of tax limitation, property tax replacement, and formulation of the budget, tax rate, and tax levy for each political subdivision in which the property is located is the lesser of:

- (1) the assessed value of the property as valued without regard to this section; or
- (2) the base assessed value.



1 ~~(g)~~ (i) If any part of the allocation area is located in an enterprise
 2 zone created under IC 5-28-15, the unit that designated the allocation
 3 area shall create funds as specified in this subsection. A unit that has
 4 obligations, bonds, or leases payable from allocated tax proceeds under
 5 subsection (b)(3) shall establish an allocation fund for the purposes
 6 specified in subsection (b)(3) and a special zone fund. Such a unit
 7 shall, until the end of the enterprise zone phase out period, deposit each
 8 year in the special zone fund any amount in the allocation fund derived
 9 from property tax proceeds in excess of those described in subsection
 10 (b)(1) and (b)(2) from property located in the enterprise zone that
 11 exceeds the amount sufficient for the purposes specified in subsection
 12 (b)(3) for the year. The amount sufficient for purposes specified in
 13 subsection (b)(3) for the year shall be determined based on the pro rata
 14 portion of such current property tax proceeds from the part of the
 15 enterprise zone that is within the allocation area as compared to all
 16 such current property tax proceeds derived from the allocation area. A
 17 unit that has no obligations, bonds, or leases payable from allocated tax
 18 proceeds under subsection (b)(3) shall establish a special zone fund
 19 and deposit all the property tax proceeds in excess of those described
 20 in subsection (b)(1) and (b)(2) in the fund derived from property tax
 21 proceeds in excess of those described in subsection (b)(1) and (b)(2)
 22 from property located in the enterprise zone. The unit that creates the
 23 special zone fund shall use the fund (based on the recommendations of
 24 the urban enterprise association) for programs in job training, job
 25 enrichment, and basic skill development that are designed to benefit
 26 residents and employers in the enterprise zone or other purposes
 27 specified in subsection (b)(3), except that where reference is made in
 28 subsection (b)(3) to allocation area it shall refer for purposes of
 29 payments from the special zone fund only to that part of the allocation
 30 area that is also located in the enterprise zone. Those programs shall
 31 reserve at least one-half (1/2) of their enrollment in any session for
 32 residents of the enterprise zone.

33 ~~(h)~~ (j) The state board of accounts and department of local
 34 government finance shall make the rules and prescribe the forms and
 35 procedures that they consider expedient for the implementation of this
 36 chapter. After each general reassessment of real property in an area
 37 under IC 6-1.1-4-4 and after each reassessment in an area under a
 38 reassessment plan prepared under IC 6-1.1-4-4.2, the department of
 39 local government finance shall adjust the base assessed value one (1)
 40 time to neutralize any effect of the reassessment of the real property in
 41 the area on the property tax proceeds allocated to the redevelopment
 42 district under this section. After each annual adjustment under



IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection:

- (1) may not include the effect of phasing in assessed value due to property tax abatements under IC 6-1.1-12.1;
- (2) may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, the reassessment under the reassessment plan, or the annual adjustment had not occurred; and
- (3) may decrease base assessed value only to the extent that assessed values in the allocation area have been decreased due to annual adjustments or the reassessment under the reassessment plan.

Assessed value increases attributable to the application of an abatement schedule under IC 6-1.1-12.1 may not be included in the base assessed value of an allocation area. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

(i) **(k)** The allocation deadline referred to in subsection (b) is determined in the following manner:

- (1) The initial allocation deadline is December 31, 2011.
- (2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.
- (3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:
 - (A) terminates the automatic extension of allocation deadlines under subdivision (2); and
 - (B) specifically designates a particular date as the final allocation deadline.

SECTION 33. IC 36-7-14-48, AS AMENDED BY P.L.203-2011, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 48. (a) Notwithstanding section 39(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 45 of this chapter, "base assessed value" means the net assessed value of all of



the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section ~~39(h)~~ **39(j)** of this chapter.

(b) The allocation fund established under section 39(b) of this chapter for the allocation area for a program adopted under section 45 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of any infrastructure (including streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) The provision of financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) The provision of financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).

(7) For property taxes first due and payable before January 1, 2009, providing each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, the commission may provide this credit only if the municipal legislative body (in the case of a redevelopment commission established by a municipality) or the county executive (in the case of a redevelopment commission established by a county) establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 45 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:



- 1 (A) that part of each county's eligible property tax replacement
- 2 amount (as defined in IC 6-1.1-21-2) (before its repeal) for
- 3 that year as determined under IC 6-1.1-21-4(a)(1) (before its
- 4 repeal) that is attributable to the taxing district; by
- 5 (B) the amount determined under STEP ONE.
- 6 STEP THREE: Multiply:
- 7 (A) the STEP TWO quotient; by
- 8 (B) the taxpayer's taxes (as defined in IC 6-1.1-21-2) (before
- 9 its repeal) levied in the taxing district allocated to the
- 10 allocation fund, including the amount that would have been
- 11 allocated but for the credit.
- 12 (d) The commission may determine to grant to taxpayers in an
- 13 allocation area from its allocation fund a credit under this section, as
- 14 calculated under subsection (c). Except as provided in subsection (g),
- 15 one-half (1/2) of the credit shall be applied to each installment of taxes
- 16 (as defined in IC 6-1.1-21-2) (before its repeal) that under
- 17 IC 6-1.1-22-9 are due and payable in a year. The commission must
- 18 provide for the credit annually by a resolution and must find in the
- 19 resolution the following:
- 20 (1) That the money to be collected and deposited in the allocation
- 21 fund, based upon historical collection rates, after granting the
- 22 credit will equal the amounts payable for contractual obligations
- 23 from the fund, plus ten percent (10%) of those amounts.
- 24 (2) If bonds payable from the fund are outstanding, that there is
- 25 a debt service reserve for the bonds that at least equals the amount
- 26 of the credit to be granted.
- 27 (3) If bonds of a lessor under section 25.2 of this chapter or under
- 28 IC 36-1-10 are outstanding and if lease rentals are payable from
- 29 the fund, that there is a debt service reserve for those bonds that
- 30 at least equals the amount of the credit to be granted.
- 31 If the tax increment is insufficient to grant the credit in full, the
- 32 commission may grant the credit in part, prorated among all taxpayers.
- 33 (e) Notwithstanding section 39(b) of this chapter, the allocation
- 34 fund established under section 39(b) of this chapter for the allocation
- 35 area for a program adopted under section 45 of this chapter may only
- 36 be used to do one (1) or more of the following:
- 37 (1) Accomplish one (1) or more of the actions set forth in section
- 38 39(b)(3)(A) through 39(b)(3)(H) and 39(b)(3)(J) of this chapter
- 39 for property that is residential in nature.
- 40 (2) Reimburse the county or municipality for expenditures made
- 41 by the county or municipality in order to accomplish the housing
- 42 program in that allocation area.



1 The allocation fund may not be used for operating expenses of the
2 commission.

3 (f) Notwithstanding section 39(b) of this chapter, the commission
4 shall, relative to the allocation fund established under section 39(b) of
5 this chapter for an allocation area for a program adopted under section
6 45 of this chapter, do the following before July 15 of each year:

7 (1) Determine the amount, if any, by which the assessed value of
8 the taxable property in the allocation area for the most recent
9 assessment date minus the base assessed value, when multiplied
10 by the estimated tax rate of the allocation area, will exceed the
11 amount of assessed value needed to produce the property taxes
12 necessary to:

13 (A) make the distribution required under section 39(b)(2);

14 (B) make, when due, principal and interest payments on bonds
15 described in section 39(b)(3) of this chapter;

16 (C) pay the amount necessary for other purposes described in
17 section 39(b)(3) of this chapter; and

18 (D) reimburse the county or municipality for anticipated
19 expenditures described in subsection (e)(2).

20 (2) Provide a written notice to the county auditor, the fiscal body
21 of the county or municipality that established the department of
22 redevelopment, and the officers who are authorized to fix budgets,
23 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
24 taxing units that is wholly or partly located within the allocation
25 area. The notice must:

26 (A) state the amount, if any, of excess property taxes that the
27 commission has determined may be paid to the respective
28 taxing units in the manner prescribed in section 39(b)(1) of
29 this chapter; or

30 (B) state that the commission has determined that there is no
31 excess assessed value that may be allocated to the respective
32 taxing units in the manner prescribed in subdivision (1).

33 The county auditor shall allocate to the respective taxing units the
34 amount, if any, of excess assessed value determined by the
35 commission.

36 (g) This subsection applies to an allocation area only to the extent
37 that the net assessed value of property that is assessed as residential
38 property under the rules of the department of local government finance
39 is not included in the base assessed value. If property tax installments
40 with respect to a homestead (as defined in IC 6-1.1-12-37) are due in
41 installments established by the department of local government finance
42 under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an



1 allocation area is entitled to an additional credit under subsection (d)
 2 for the taxes (as defined in IC 6-1.1-21-2) (before its repeal) due in
 3 installments. The credit shall be applied in the same proportion to each
 4 installment of taxes (as defined in IC 6-1.1-21-2) (before its repeal).

5 SECTION 34. IC 36-7-14-52, AS ADDED BY P.L.7-2013,
 6 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2014]: Sec. 52. (a) Notwithstanding section 39(a) of this
 8 chapter, with respect to the allocation and distribution of property taxes
 9 for the accomplishment of the purposes of an age-restricted housing
 10 program adopted under section 49 of this chapter, "base assessed
 11 value" means the net assessed value of all of the property, other than
 12 personal property, as finally determined for the assessment date
 13 immediately preceding the effective date of the allocation provision, as
 14 adjusted under section ~~39(h)~~ 39(j) of this chapter.

15 (b) The allocation fund established under section 39(b) of this
 16 chapter for the allocation area for an age-restricted housing program
 17 adopted under section 49 of this chapter may be used only for purposes
 18 related to the accomplishment of the purposes of the program,
 19 including, but not limited to, the following:

20 (1) The construction of any infrastructure (including streets,
 21 sidewalks, and sewers) or local public improvements in, serving,
 22 or benefiting the allocation area.

23 (2) The acquisition of real property and interests in real property
 24 within the allocation area.

25 (3) The preparation of real property in anticipation of
 26 development of the real property within the allocation area.

27 (4) To do any of the following:

28 (A) Pay the principal of and interest on bonds or any other
 29 obligations payable from allocated tax proceeds in the
 30 allocation area that are incurred by the redevelopment district
 31 for the purpose of financing or refinancing the age-restricted
 32 housing program established under section 49 of this chapter
 33 for the allocation area.

34 (B) Establish, augment, or restore the debt service reserve for
 35 bonds payable solely or in part from allocated tax proceeds in
 36 the allocation area.

37 (C) Pay the principal of and interest on bonds payable from
 38 allocated tax proceeds in the allocation area and from the
 39 special tax levied under section 27 of this chapter.

40 (D) Pay the principal of and interest on bonds issued by the
 41 unit to pay for local public improvements that are physically
 42 located in or physically connected to the allocation area.



- 1 (E) Pay premiums on the redemption before maturity of bonds
- 2 payable solely or in part from allocated tax proceeds in the
- 3 allocation area.
- 4 (F) Make payments on leases payable from allocated tax
- 5 proceeds in the allocation area under section 25.2 of this
- 6 chapter.
- 7 (G) Reimburse the unit for expenditures made by the unit for
- 8 local public improvements (which include buildings, parking
- 9 facilities, and other items described in section 25.1(a) of this
- 10 chapter) that are physically located in or physically connected
- 11 to the allocation area.
- 12 (c) Notwithstanding section 39(b) of this chapter, the commission
- 13 shall, relative to the allocation fund established under section 39(b) of
- 14 this chapter for an allocation area for an age-restricted housing program
- 15 adopted under section 49 of this chapter, do the following before July
- 16 15 of each year:
- 17 (1) Determine the amount, if any, by which the assessed value of
- 18 the taxable property in the allocation area for the most recent
- 19 assessment date minus the base assessed value, when multiplied
- 20 by the estimated tax rate of the allocation area, will exceed the
- 21 amount of assessed value needed to produce the property taxes
- 22 necessary to:
- 23 (A) make the distribution required under section 39(b)(2) of
- 24 this chapter;
- 25 (B) make, when due, principal and interest payments on bonds
- 26 described in section 39(b)(3) of this chapter;
- 27 (C) pay the amount necessary for other purposes described in
- 28 section 39(b)(3) of this chapter; and
- 29 (D) reimburse the county or municipality for anticipated
- 30 expenditures described in subsection (b)(2).
- 31 (2) Provide a written notice to the county auditor, the fiscal body
- 32 of the county or municipality that established the department of
- 33 redevelopment, and the officers who are authorized to fix budgets,
- 34 tax rates, and tax levies under IC 6-1.1-17-5 for each of the other
- 35 taxing units that is wholly or partly located within the allocation
- 36 area. The notice must:
- 37 (A) state the amount, if any, of excess property taxes that the
- 38 commission has determined may be paid to the respective
- 39 taxing units in the manner prescribed in section 39(b)(1) of
- 40 this chapter; or
- 41 (B) state that the commission has determined that there is no
- 42 excess assessed value that may be allocated to the respective



1 taxing units in the manner prescribed in subdivision (1).
 2 The county auditor shall allocate to the respective taxing units the
 3 amount, if any, of excess assessed value determined by the
 4 commission.

5 SECTION 35. IC 36-7-15.1-26, AS AMENDED BY P.L.112-2012,
 6 SECTION 56, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 7 JULY 1, 2014]: Sec. 26. (a) As used in this section:

8 "Allocation area" means that part of a redevelopment project area
 9 to which an allocation provision of a resolution adopted under section
 10 8 of this chapter refers for purposes of distribution and allocation of
 11 property taxes.

12 "Base assessed value" means the following:

13 (1) If an allocation provision is adopted after June 30, 1995, in a
 14 declaratory resolution or an amendment to a declaratory
 15 resolution establishing an economic development area:

16 (A) the net assessed value of all the property as finally
 17 determined for the assessment date immediately preceding the
 18 effective date of the allocation provision of the declaratory
 19 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus

20 (B) to the extent that it is not included in clause (A), the net
 21 assessed value of property that is assessed as residential
 22 property under the rules of the department of local government
 23 finance, as finally determined for any assessment date after the
 24 effective date of the allocation provision.

25 (2) If an allocation provision is adopted after June 30, 1997, in a
 26 declaratory resolution or an amendment to a declaratory
 27 resolution establishing a redevelopment project area:

28 (A) the net assessed value of all the property as finally
 29 determined for the assessment date immediately preceding the
 30 effective date of the allocation provision of the declaratory
 31 resolution, as adjusted under subsection ~~(h)~~; **(j)**; plus

32 (B) to the extent that it is not included in clause (A), the net
 33 assessed value of property that is assessed as residential
 34 property under the rules of the department of local government
 35 finance, as finally determined for any assessment date after the
 36 effective date of the allocation provision.

37 (3) If:

38 (A) an allocation provision adopted before June 30, 1995, in
 39 a declaratory resolution or an amendment to a declaratory
 40 resolution establishing a redevelopment project area expires
 41 after June 30, 1997; and

42 (B) after June 30, 1997, a new allocation provision is included



in an amendment to the declaratory resolution;
the net assessed value of all the property as finally determined for
the assessment date immediately preceding the effective date of
the allocation provision adopted after June 30, 1997, as adjusted
under subsection ~~(h)~~: **(j)**.

(4) Except as provided in subdivision (5), for all other allocation
areas, the net assessed value of all the property as finally
determined for the assessment date immediately preceding the
effective date of the allocation provision of the declaratory
resolution, as adjusted under subsection ~~(h)~~: **(j)**.

(5) If an allocation area established in an economic development
area before July 1, 1995, is expanded after June 30, 1995, the
definition in subdivision (1) applies to the expanded part of the
area added after June 30, 1995.

(6) If an allocation area established in a redevelopment project
area before July 1, 1997, is expanded after June 30, 1997, the
definition in subdivision (2) applies to the expanded part of the
area added after June 30, 1997.

**"Obligation" includes currently outstanding bonds, leases, and
contracts.**

Except as provided in section 26.2 of this chapter, "property taxes"
means taxes imposed under IC 6-1.1 on real property. However, upon
approval by a resolution of the redevelopment commission adopted
before June 1, 1987, "property taxes" also includes taxes imposed
under IC 6-1.1 on depreciable personal property. If a redevelopment
commission adopted before June 1, 1987, a resolution to include within
the definition of property taxes taxes imposed under IC 6-1.1 on
depreciable personal property that has a useful life in excess of eight
(8) years, the commission may by resolution determine the percentage
of taxes imposed under IC 6-1.1 on all depreciable personal property
that will be included within the definition of property taxes. However,
the percentage included must not exceed twenty-five percent (25%) of
the taxes imposed under IC 6-1.1 on all depreciable personal property.

(b) A resolution adopted under section 8 of this chapter on or before
the allocation deadline determined under subsection ~~(i)~~: **(k)** may include
a provision with respect to the allocation and distribution of property
taxes for the purposes and in the manner provided in this section. A
resolution previously adopted may include an allocation provision by
the amendment of that resolution on or before the allocation deadline
determined under subsection ~~(i)~~: **(k)** in accordance with the procedures
required for its original adoption. A declaratory resolution or an
amendment that establishes an allocation provision after June 30, 1995,



1 must specify an expiration date for the allocation provision. For an
 2 allocation area established before July 1, 2008, the expiration date may
 3 not be more than thirty (30) years after the date on which the allocation
 4 provision is established. For an allocation area established after June
 5 30, 2008, the expiration date may not be more than twenty-five (25)
 6 years after the date on which the first obligation was incurred to pay
 7 principal and interest on bonds or lease rentals on leases payable from
 8 tax increment revenues. However, with respect to bonds or other
 9 obligations that were issued before July 1, 2008, if any of the bonds or
 10 other obligations that were scheduled when issued to mature before the
 11 specified expiration date and that are payable only from allocated tax
 12 proceeds with respect to the allocation area remain outstanding as of
 13 the expiration date, the allocation provision does not expire until all of
 14 the bonds or other obligations are no longer outstanding. The allocation
 15 provision may apply to all or part of the redevelopment project area.
 16 The allocation provision must require that any property taxes
 17 subsequently levied by or for the benefit of any public body entitled to
 18 a distribution of property taxes on taxable property in the allocation
 19 area be allocated and distributed as follows:

20 (1) Except as otherwise provided in this section, the proceeds of
 21 the taxes attributable to the lesser of:

22 (A) the assessed value of the property for the assessment date
 23 with respect to which the allocation and distribution is made;
 24 or

25 (B) the base assessed value;
 26 shall be allocated to and, when collected, paid into the funds of
 27 the respective taxing units.

28 (2) The excess of the proceeds of the property taxes imposed for
 29 the assessment date with respect to which the allocation and
 30 distribution is made that are attributable to taxes imposed after
 31 being approved by the voters in a referendum or local public
 32 question conducted after April 30, 2010, not otherwise included
 33 in subdivision (1) shall be allocated to and, when collected, paid
 34 into the funds of the taxing unit for which the referendum or local
 35 public question was conducted.

36 (3) Except as otherwise provided in this section, property tax
 37 proceeds in excess of those described in subdivisions (1) and (2)
 38 shall be allocated to the redevelopment district and, when
 39 collected, paid into a special fund for that allocation area that may
 40 be used by the redevelopment district only to do one (1) or more
 41 of the following:

42 (A) Pay the principal of and interest on any obligations



payable solely from allocated tax proceeds that are incurred by the redevelopment district for the purpose of financing or refinancing the redevelopment of that allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in that allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in that allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the consolidated city to pay for local public improvements that are physically located in or physically connected to that allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in that allocation area.

(F) Make payments on leases payable from allocated tax proceeds in that allocation area under section 17.1 of this chapter.

(G) Reimburse the consolidated city for expenditures for local public improvements (which include buildings, parking facilities, and other items set forth in section 17 of this chapter) that are physically located in or physically connected to that allocation area.

(H) Reimburse the unit for rentals paid by it for a building or parking facility that is physically located in or physically connected to that allocation area under any lease entered into under IC 36-1-10.

(I) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

(i) in the allocation area; and

(ii) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in this clause. The reimbursements under this clause must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made.

(J) Pay the costs of carrying out an eligible efficiency project



(as defined in IC 36-9-41-1.5) within the unit that established the redevelopment commission. However, property tax proceeds may be used under this clause to pay the costs of carrying out an eligible efficiency project only if those property tax proceeds exceed the amount necessary to do the following:

- (i) Make, when due, any payments required under clauses (A) through (I), including any payments of principal and interest on bonds and other obligations payable under this subdivision, any payments of premiums under this subdivision on the redemption before maturity of bonds, and any payments on leases payable under this subdivision.
- (ii) Make any reimbursements required under this subdivision.
- (iii) Pay any expenses required under this subdivision.
- (iv) Establish, augment, or restore any debt service reserve under this subdivision.

The special fund may not be used for operating expenses of the commission.

(4) Before July 15 of each year, the commission shall ~~do the following:~~ **conduct a public hearing. Notice of the hearing shall be given in accordance with IC 5-3-1. The commission shall also provide a copy of the notice to the department of local government finance and each taxing unit within an allocation area governed by the commission at least ten (10) days before the hearing. The notice must include:**

- (A) estimated incremental revenues for the ensuing year;**
- (B) estimated obligations to be paid for the ensuing year;**
- (C) actual obligations paid in the previous year; and**
- (D) estimated fiscal impact to the taxing units if:**
 - (i) the commission captures the amount it intends to capture; and**
 - (ii) the commission releases all incremental assessed valuation.**

(5) At the close of the hearing, the commission shall:

- (A) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area will exceed the amount of assessed value needed to provide the property taxes necessary to make, when due, principal and interest payments on bonds described in subdivision (3) plus**



the amount necessary for other purposes described in subdivision (3) and subsection ~~(g)~~: (i).

(B) Determine the tax increment replacement amount under IC 6-1.1-21.2-11.

(C) Present an estimate of tax increment revenues and financial obligations for the ensuing year.

(c) Following the hearing, but before July 15, the fiscal body of the county or municipality that established the department of redevelopment shall adopt an ordinance stating the amount of incremental assessed valuation to be released and the maximum amount of incremental tax revenue to be captured. The department of redevelopment and each corresponding redevelopment commission and allocation area is bound by the fiscal body's ordinance. The maximum amount of revenue captured must be sufficient to fund the outstanding obligations. Incremental revenues exceeding the maximum amount allowed under this subsection shall be returned to the other taxing units during settlement.

~~(B)~~ **(d) Following the hearing, the commission shall provide a written notice to the county auditor, the legislative body of the consolidated city, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:**

~~(i)~~ **(1) state the amount, if any, of excess assessed value that the commission has determined may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1); or**

~~(ii)~~ **(2) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in ~~subdivision (1)~~; subsection (b)(1).**

The commission shall also submit the fiscal body's ordinance along with the written notice. The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the ~~commission~~: **fiscal body**. The ~~commission~~ **fiscal body** may not authorize an allocation to the respective taxing units under this subdivision if to do so would endanger the interests of the holders of bonds described in ~~subdivision (3)~~: **subsection (b)(3).**

~~(e)~~ **(e) For the purpose of allocating taxes levied by or for any taxing unit or units, the assessed value of taxable property in a territory in the allocation area that is annexed by any taxing unit after the effective**



1 date of the allocation provision of the resolution is the lesser of:

- 2 (1) the assessed value of the property for the assessment date with
 3 respect to which the allocation and distribution is made; or
 4 (2) the base assessed value.

5 ~~(d)~~ **(f)** Property tax proceeds allocable to the redevelopment district
 6 under subsection (b)(3) may, subject to subsection (b)(4), be
 7 irrevocably pledged by the redevelopment district for payment as set
 8 forth in subsection (b)(3).

9 ~~(e)~~ **(g)** Notwithstanding any other law, each assessor shall, upon
 10 petition of the commission, reassess the taxable property situated upon
 11 or in, or added to, the allocation area, effective on the next assessment
 12 date after the petition.

13 ~~(f)~~ **(h)** Notwithstanding any other law, the assessed value of all
 14 taxable property in the allocation area, for purposes of tax limitation,
 15 property tax replacement, and formulation of the budget, tax rate, and
 16 tax levy for each political subdivision in which the property is located
 17 is the lesser of:

- 18 (1) the assessed value of the property as valued without regard to
 19 this section; or
 20 (2) the base assessed value.

21 ~~(g)~~ **(i)** If any part of the allocation area is located in an enterprise
 22 zone created under IC 5-28-15, the unit that designated the allocation
 23 area shall create funds as specified in this subsection. A unit that has
 24 obligations, bonds, or leases payable from allocated tax proceeds under
 25 subsection (b)(3) shall establish an allocation fund for the purposes
 26 specified in subsection (b)(3) and a special zone fund. Such a unit
 27 shall, until the end of the enterprise zone phase out period, deposit each
 28 year in the special zone fund the amount in the allocation fund derived
 29 from property tax proceeds in excess of those described in subsection
 30 (b)(1) and (b)(2) from property located in the enterprise zone that
 31 exceeds the amount sufficient for the purposes specified in subsection
 32 (b)(3) for the year. A unit that has no obligations, bonds, or leases
 33 payable from allocated tax proceeds under subsection (b)(3) shall
 34 establish a special zone fund and deposit all the property tax proceeds
 35 in excess of those described in subsection (b)(1) and (b)(2) in the fund
 36 derived from property tax proceeds in excess of those described in
 37 subsection (b)(1) and (b)(2) from property located in the enterprise
 38 zone. The unit that creates the special zone fund shall use the fund,
 39 based on the recommendations of the urban enterprise association, for
 40 one (1) or more of the following purposes:

- 41 (1) To pay for programs in job training, job enrichment, and basic
 42 skill development designed to benefit residents and employers in



the enterprise zone. The programs must reserve at least one-half (1/2) of the enrollment in any session for residents of the enterprise zone.

(2) To make loans and grants for the purpose of stimulating business activity in the enterprise zone or providing employment for enterprise zone residents in the enterprise zone. These loans and grants may be made to the following:

(A) Businesses operating in the enterprise zone.

(B) Businesses that will move their operations to the enterprise zone if such a loan or grant is made.

(3) To provide funds to carry out other purposes specified in subsection (b)(3). However, where reference is made in subsection (b)(3) to the allocation area, the reference refers for purposes of payments from the special zone fund only to that part of the allocation area that is also located in the enterprise zone.

~~(h)~~ (j) The state board of accounts and department of local government finance shall make the rules and prescribe the forms and procedures that they consider expedient for the implementation of this chapter. After each general reassessment of real property in an area under IC 6-1.1-4-4 and after each reassessment under a reassessment plan prepared under IC 6-1.1-4-4.2, the department of local government finance shall adjust the base assessed value one (1) time to neutralize any effect of the reassessment of the real property in the area on the property tax proceeds allocated to the redevelopment district under this section. After each annual adjustment under IC 6-1.1-4-4.5, the department of local government finance shall adjust the base assessed value to neutralize any effect of the annual adjustment on the property tax proceeds allocated to the redevelopment district under this section. However, the adjustments under this subsection may not include the effect of property tax abatements under IC 6-1.1-12.1, and these adjustments may not produce less property tax proceeds allocable to the redevelopment district under subsection (b)(3) than would otherwise have been received if the general reassessment, reassessment under the reassessment plan, or annual adjustment had not occurred. The department of local government finance may prescribe procedures for county and township officials to follow to assist the department in making the adjustments.

~~(i)~~ (k) The allocation deadline referred to in subsection (b) is determined in the following manner:

(1) The initial allocation deadline is December 31, 2011.

(2) Subject to subdivision (3), the initial allocation deadline and subsequent allocation deadlines are automatically extended in



increments of five (5) years, so that allocation deadlines subsequent to the initial allocation deadline fall on December 31, 2016, and December 31 of each fifth year thereafter.

(3) At least one (1) year before the date of an allocation deadline determined under subdivision (2), the general assembly may enact a law that:

(A) terminates the automatic extension of allocation deadlines under subdivision (2); and

(B) specifically designates a particular date as the final allocation deadline.

SECTION 36. IC 36-7-15.1-26.2, AS AMENDED BY P.L.172-2011, SECTION 153, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 26.2. (a) As used in this section, "depreciable personal property" refers to all of the designated taxpayer's depreciable personal property that is located in the allocation area.

(b) As used in this section, "designated taxpayer" means a taxpayer designated by the commission in a declaratory resolution adopted or amended under section 8 or 10.5 of this chapter, and with respect to which the commission finds that:

(1) taxes to be derived from the taxpayer's depreciable personal property in the allocation area, in excess of the taxes attributable to the base assessed value of that personal property, are needed to pay debt service for bonds issued under section 17 of this chapter or to make payments on leases payable under section 17.1 of this chapter in order to provide local public improvements for a particular allocation area;

(2) the taxpayer's property in the allocation area will consist primarily of industrial, manufacturing, warehousing, research and development, processing, distribution, transportation, or convention center hotel related projects or regulated amusement devices (as defined in IC 22-12-1-19.1) and related improvements; and

(3) the taxpayer's property in the allocation area will not consist primarily of retail, commercial, or residential projects, other than an amusement park or tourism industry project.

For purposes of subdivision (3), a convention center hotel project is not considered a retail, commercial, or residential project.

(c) The allocation provision of a declaratory resolution may modify the definition of "property taxes" under section 26(a) of this chapter to include taxes imposed under IC 6-1.1 on the depreciable personal property of designated taxpayers in accordance with the procedures and



limitations set forth in this section and section 26 of this chapter. If such a modification is included in the resolution, for purposes of section 26 of this chapter the term "base assessed value" with respect to the depreciable personal property of designated taxpayers means the net assessed value of the depreciable personal property as finally determined for the assessment date immediately preceding:

(1) the effective date of the modification, for modifications adopted before July 1, 1995; and

(2) the adoption date of the modification for modifications adopted after June 30, 1995;

as adjusted under section ~~26(h)~~ **26(j)** of this chapter.

SECTION 37. IC 36-7-15.1-35, AS AMENDED BY P.L.6-2012, SECTION 245, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 35. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of a program adopted under section 32 of this chapter, "base assessed value" means the net assessed value of all of the land as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section ~~26(h)~~ **26(j)** of this chapter. However, "base assessed value" does not include the value of real property improvements to the land.

(b) The special fund established under section 26(b) of this chapter for the allocation area for a program adopted under section 32 of this chapter may be used only for purposes related to the accomplishment of the program, including the following:

(1) The construction, rehabilitation, or repair of residential units within the allocation area.

(2) The construction, reconstruction, or repair of infrastructure (such as streets, sidewalks, and sewers) within or serving the allocation area.

(3) The acquisition of real property and interests in real property within the allocation area.

(4) The demolition of real property within the allocation area.

(5) To provide financial assistance to enable individuals and families to purchase or lease residential units within the allocation area. However, financial assistance may be provided only to those individuals and families whose income is at or below the county's median income for individuals and families, respectively.

(6) To provide financial assistance to neighborhood development corporations to permit them to provide financial assistance for the purposes described in subdivision (5).



(7) For property taxes first due and payable before 2009, to provide each taxpayer in the allocation area a credit for property tax replacement as determined under subsections (c) and (d). However, this credit may be provided by the commission only if the city-county legislative body establishes the credit by ordinance adopted in the year before the year in which the credit is provided.

(c) The maximum credit that may be provided under subsection (b)(7) to a taxpayer in a taxing district that contains all or part of an allocation area established for a program adopted under section 32 of this chapter shall be determined as follows:

STEP ONE: Determine that part of the sum of the amounts described in IC 6-1.1-21-2(g)(1)(A) and IC 6-1.1-21-2(g)(2) through IC 6-1.1-21-2(g)(5) (before their repeal) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2 (before its repeal)) for that year as determined under IC 6-1.1-21-4(a)(1) (before its repeal) that is attributable to the taxing district; by

(B) the amount determined under STEP ONE.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the taxpayer's taxes (as defined in IC 6-1.1-21-2 (before its repeal)) levied in the taxing district allocated to the allocation fund, including the amount that would have been allocated but for the credit.

(d) Except as provided in subsection (g), the commission may determine to grant to taxpayers in an allocation area from its allocation fund a credit under this section, as calculated under subsection (c), by applying one-half (1/2) of the credit to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)) that under IC 6-1.1-22-9 are due and payable in a year. Except as provided in subsection (g), one-half (1/2) of the credit shall be applied to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)). The commission must provide for the credit annually by a resolution and must find in the resolution the following:

(1) That the money to be collected and deposited in the allocation fund, based upon historical collection rates, after granting the credit will equal the amounts payable for contractual obligations from the fund, plus ten percent (10%) of those amounts.

(2) If bonds payable from the fund are outstanding, that there is



1 a debt service reserve for the bonds that at least equals the amount
2 of the credit to be granted.

3 (3) If bonds of a lessor under section 17.1 of this chapter or under
4 IC 36-1-10 are outstanding and if lease rentals are payable from
5 the fund, that there is a debt service reserve for those bonds that
6 at least equals the amount of the credit to be granted.

7 If the tax increment is insufficient to grant the credit in full, the
8 commission may grant the credit in part, prorated among all taxpayers.

9 (e) Notwithstanding section 26(b) of this chapter, the special fund
10 established under section 26(b) of this chapter for the allocation area
11 for a program adopted under section 32 of this chapter may only be
12 used to do one (1) or more of the following:

13 (1) Accomplish one (1) or more of the actions set forth in section
14 26(b)(3)(A) through 26(b)(3)(H) of this chapter.

15 (2) Reimburse the consolidated city for expenditures made by the
16 city in order to accomplish the housing program in that allocation
17 area.

18 The special fund may not be used for operating expenses of the
19 commission.

20 (f) Notwithstanding section 26(b) of this chapter, the commission
21 shall, relative to the special fund established under section 26(b) of this
22 chapter for an allocation area for a program adopted under section 32
23 of this chapter, do the following before July 15 of each year:

24 (1) Determine the amount, if any, by which the assessed value of
25 the taxable property in the allocation area, when multiplied by the
26 estimated tax rate of the allocation area, will exceed the amount
27 of assessed value needed to produce the property taxes necessary
28 to:

29 (A) make the distribution required under section 26(b)(2) of
30 this chapter;

31 (B) make, when due, principal and interest payments on bonds
32 described in section 26(b)(3) of this chapter;

33 (C) pay the amount necessary for other purposes described in
34 section 26(b)(3) of this chapter; and

35 (D) reimburse the consolidated city for anticipated
36 expenditures described in subsection (e)(2).

37 (2) Provide a written notice to the county auditor, the legislative
38 body of the consolidated city, and the officers who are authorized
39 to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for
40 each of the other taxing units that is wholly or partly located
41 within the allocation area. The notice must:

42 (A) state the amount, if any, of excess assessed value that the



commission has determined may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter.

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

(g) This subsection applies to an allocation area only to the extent that the net assessed value of property that is assessed as residential property under the rules of the department of local government finance is not included in the base assessed value. If property tax installments with respect to a homestead (as defined in IC 6-1.1-20.9-1 (before its repeal)) are due in installments established by the department of local government finance under IC 6-1.1-22-9.5, each taxpayer subject to those installments in an allocation area is entitled to an additional credit under subsection (d) for the taxes (as defined in IC 6-1.1-21-2 (before its repeal)) due in installments. The credit shall be applied in the same proportion to each installment of taxes (as defined in IC 6-1.1-21-2 (before its repeal)).

SECTION 38. IC 36-7-15.1-36.3, AS AMENDED BY P.L.218-2013, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 36.3. (a) Not later than ~~March 15~~ **June 1** of each year, the commission or its designee shall file with the mayor a report setting out the commission's activities during the preceding calendar year.

(b) The report required by subsection (a) must show the names of the then qualified and acting commissioners, the names of the officers of that body, the number of regular employees and their fixed salaries or compensation, the amount of the expenditures made during the preceding year and their general purpose, an accounting of the tax increment revenues expended by any entity receiving the tax increment revenues as a grant or loan from the commission, the amount of funds on hand at the close of the calendar year, and other information necessary to disclose the activities of the commission and the results obtained. **The report must include the following information set forth for each tax increment financing district regarding the previous year:**

(1) Revenues received.

(2) Expenses paid.



(3) Fund balances.

(4) The amount and maturity date for all outstanding obligations.

(5) The amount paid on outstanding obligations.

(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

(c) A copy of each report filed under this section must be submitted to the department of local government finance in an electronic format through the department's computer gateway.

(d) Before August 1 each year, the commission shall also submit a report to the fiscal body. The report must include the following information set forth for each tax increment financing district regarding the previous year:

(1) Revenues received:

(2) Expenses paid:

(3) Fund balances:

(4) The amount and maturity date for all outstanding obligations:

(5) The amount paid on outstanding obligations:

(6) A list of all the parcels included in each tax increment financing district allocation area and the base assessed value and incremental assessed value for each parcel in the list.

Before October 1 each year, the fiscal body shall compile the reports received for all the tax increment financing districts and submit a comprehensive report to the department of local government finance in the form required by the department of local government finance.

SECTION 39. IC 36-7-15.1-62, AS ADDED BY P.L.7-2013, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 62. (a) Notwithstanding section 26(a) of this chapter, with respect to the allocation and distribution of property taxes for the accomplishment of the purposes of an age-restricted housing program adopted under section 59 of this chapter, "base assessed value" means the net assessed value of all of the property, other than personal property, as finally determined for the assessment date immediately preceding the effective date of the allocation provision, as adjusted under section ~~26(h)~~ **26(j)** of this chapter.

(b) The allocation fund established under section 26(b) of this chapter for the allocation area for an age-restricted housing program adopted under section 59 of this chapter may be used only for purposes related to the accomplishment of the purposes of the program, including, but not limited to, the following:

(1) The construction of any infrastructure (including streets,



sidewalks, and sewers) or local public improvements in, serving, or benefiting the allocation area.

(2) The acquisition of real property and interests in real property within the allocation area.

(3) The preparation of real property in anticipation of development of the real property within the allocation area.

(4) To do any of the following:

(A) Pay the principal of and interest on bonds or any other obligations payable from allocated tax proceeds in the allocation area that are incurred by the redevelopment district for the purpose of financing or refinancing the age-restricted housing program established under section 59 of this chapter for the allocation area.

(B) Establish, augment, or restore the debt service reserve for bonds payable solely or in part from allocated tax proceeds in the allocation area.

(C) Pay the principal of and interest on bonds payable from allocated tax proceeds in the allocation area and from the special tax levied under section 19 of this chapter.

(D) Pay the principal of and interest on bonds issued by the unit to pay for local public improvements that are physically located in or physically connected to the allocation area.

(E) Pay premiums on the redemption before maturity of bonds payable solely or in part from allocated tax proceeds in the allocation area.

(F) Make payments on leases payable from allocated tax proceeds in the allocation area under section 17.1 of this chapter.

(G) Reimburse the unit for expenditures made by the unit for local public improvements (which include buildings, parking facilities, and other items described in section 17(a) of this chapter) that are physically located in or physically connected to the allocation area.

(c) Notwithstanding section 26(b) of this chapter, the commission shall, relative to the allocation fund established under section 26(b) of this chapter for an allocation area for an age-restricted housing program adopted under section 59 of this chapter, do the following before July 15 of each year:

(1) Determine the amount, if any, by which the assessed value of the taxable property in the allocation area for the most recent assessment date minus the base assessed value, when multiplied by the estimated tax rate of the allocation area, will exceed the



amount of assessed value needed to produce the property taxes necessary to:

(A) make the distribution required under section 26(b)(2) of this chapter;

(B) make, when due, principal and interest payments on bonds described in section 26(b)(3) of this chapter;

(C) pay the amount necessary for other purposes described in section 26(b)(3) of this chapter; and

(D) reimburse the county or municipality for anticipated expenditures described in subsection (b)(2).

(2) Provide a written notice to the county auditor, the fiscal body of the county or municipality that established the department of redevelopment, and the officers who are authorized to fix budgets, tax rates, and tax levies under IC 6-1.1-17-5 for each of the other taxing units that is wholly or partly located within the allocation area. The notice must:

(A) state the amount, if any, of excess property taxes that the commission has determined may be paid to the respective taxing units in the manner prescribed in section 26(b)(1) of this chapter; or

(B) state that the commission has determined that there is no excess assessed value that may be allocated to the respective taxing units in the manner prescribed in subdivision (1).

The county auditor shall allocate to the respective taxing units the amount, if any, of excess assessed value determined by the commission.

SECTION 40. IC 36-7-30-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2014]: Sec. 8. The military base reuse authority shall do the following:

(1) Investigate, study, and survey the area surrounding and the real property and structures that are part of a military base within the corporate boundaries of the unit.

(2) Investigate, study, and determine the means by which military base property may be reused by private enterprise to promote economic development within the unit or by state and local government to otherwise benefit the welfare of the citizens of the unit.

(3) Promote the reuse of military base property in the manner that best serves the interests of the unit and its inhabitants.

(4) Cooperate with the departments and agencies of the unit and of other governmental entities, including the state and the federal government, in the manner that best serves the purposes of this



chapter.

(5) ~~Make findings and reports on their activities under this section; and keep the reports available for inspection by the public.~~

(5) Prepare and submit reports containing the information specified by IC 36-7-14-13 in the manner prescribed by IC 36-7-14-13.

(6) Select and acquire military base property to be reused by private enterprise or state or local government under this chapter.

(7) Transfer acquired military base property and other real and personal property to private enterprise or state or local government in the manner that best serves the social and economic interests of the unit and the unit's inhabitants.

SECTION 41. [EFFECTIVE UPON PASSAGE] (a) IC 6-1.1-12-10.1, IC 6-1.1-12-12, IC 6-1.1-12-15, IC 6-1.1-12-17, IC 6-1.1-12-17.5, IC 6-1.1-12-27.1, IC 6-1.1-12-30, IC 6-1.1-12-35.5, IC 6-1.1-12-38, IC 6-1.1-12-45, IC 6-1.1-12.6-3, and IC 6-1.1-12.8-4, all as amended by this act, apply to deductions claimed for assessment dates after February 28, 2014.

(b) This SECTION expires July 1, 2018.

SECTION 42. [EFFECTIVE UPON PASSAGE] (a) IC 8-22-3-11 and IC 8-22-3-25, both as amended by this act, apply to property taxes imposed for assessment dates that occur after February 28, 2014.

(b) This SECTION expires July 1, 2018.

SECTION 43. An emergency is declared for this act.

